

**CHANGE MANAGEMENT PRACTICES AND ORGANISATIONAL
PERFORMANCE OF COMMERCIAL BANKS IN KENYA
(CASE OF NCBA BANK KENYA PLC)**

CHRISTINE NDINDA MATIKU

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UNIVERSITY**

JUNE, 2025

DECLARATION

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Date

Christine Ndinda Matiku

Reg no: D53/CTY/PT/33397/2015

I attest that the candidate conducted this research project independently under my guidance and supervision and that the work presented is original.

Signature

Date

Dr. Linda Kimencu,

Department of Business Administration,

School of Business, Economics and Tourism, Kenyatta University.

DEDICATION

To my husband- Thadeus Mwalili Mwololo and son- Ryan Mwendwa who encouraged me to do finish my work even when I was stuck and for the sacrifices they made when I was studying.

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TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENTS	iv
LIST OF TABLES	viii
LIST OF FIGURES	ix
ABBREVIATIONS AND ACROYNMS	x
OPERATIONAL DEFINITION OF TERMS	xi
ABSTRACT	xiii
CHAPTER ONE: INTRODUCTION	1
1.1 Background of Study	1
1.1.1. Organizational Performance	3
1.1.2 Change Management Practices.....	5
1.1.3. National Commercial Bank of Africa.....	8
1.2 Statement of The Problem	10
1.3 Objectives of The Study.....	12
1.3.1 General Objective	12
1.3.2 Specific Objectives	13
1.4 Research Questions	13
1.5 Relevance of The Study	13
1.6 Scope of The Study	14
1.7. Limitation of The Study.....	15
1.8. Organization of the Study	16
CHAPTER TWO: REVIEW OF LITERATURE	17
2.1. Overview	17
2.2 Theoretical Review	17
2. 2.1: Mckinsey 7s Model	17
2. 2.2: Kotter’s Eight Steps Model	18
2.2.3: Kurt Lewin’s Model	19
2.2.4: Framework of Organizational Performance	20

2.3 Empirical Review.....	21
2.3.1. Planning for Change and Organizational Performance	21
2.3.2: Communication and Organizational Performance	22
2.3.3. Employee Participation in Change Process and Organizational Performance	24
2.3.4: Knowledge Sharing and Organizational Performance	26
2.4. Summary	28
2.5. Conceptual framework.....	34
CHAPTER THREE: RESEARCH METHODOLOGY	36
3.1. Introduction.....	36
3.2. Research Design.....	36
3.3 Target Population.....	36
3.4: Sample Design and Technique	37
3.5 Data Collection Instruments and Procedure	38
3.6: Pilot Study.....	39
3.7: Validity and Reliability Test.....	40
3.7.1: Validity Test	40
3.7.2: Reliability Test	40
3.8: Data Analysis and Presentation	41
3.9: Ethical Standards	42
CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION	43
4.1. Introduction.....	43
4.2. Rate of Response.....	43
4.3. Demographic Details of Participants	43
4.3.1. Gender of the Participants	44
4.3.2. Management Level of Participants	45
4.3.3. Educational Background of the Participants	45
4.3.4. Years of Experience of the Participants	46
4.4. Descriptive Statistics.....	47
4.4.1. Planning for Change	47
4.4.2. Communication of Change	50
4.4.3. Employee Participation.....	52

4.4.4. Knowledge Sharing	55
4.4.5. Organizational Performance	57
4.5. Correlation Analysis	60
4.6. Inferential Analysis	62
4.6.1. Summary of The Model.....	62
4.6.2. Analysis of Variance (ANOVA)	63
4.6.3. Regression Coefficient	63
CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND	
RECOMMENDATIONS.....	67
5.1. Introduction.....	67
5.2. Summary of the Study	67
5.3. Conclusion of the Study.....	68
5.4. Recommendations of the Study	69
5.5. Areas for Future Investigations.....	70
REFERENCES.....	71
APPENDICES	75
Appendix I: Letter of Introduction.....	75
Appendix II: Research Instrument	76
Appendix III: List of NCBA Bank Branches in Nairobi	82
Appendix IV: Research Budget	84

LIST OF TABLES

Table 2.1: Summary of literature review and research gaps	28
Table 3.1: Target population.....	37
Table 3.2: Sample size	38
Table 3.3: Reliability Test.....	41
Table 3.4: Operationalisation and measurement of variables.....	43
Table 4.1: Management Level of Participants	45
Table 4.2: Education Level of Participants	46
Table 4.3: Participants Years of Experience.....	46
Table 4.4: Change Planning.....	47
Table 4.5: Change Communication	50
Table 4.6: Employee Participation.....	53
Table 4.7: Knowledge Sharing	55
Table 4.8: Organizational Performance	58
Table 4.9: Performance of NCBA from 2019 to 2022.....	59
Table 4.10: Correlation Matrix	60
Table 4.11: Model Summary	62
Table 4.12: ANOVA.....	63
Table 4.13: Regression Coefficients	63

LIST OF FIGURES

Figure 2.1 Conceptual framework	35
Figure 4.1: Response Rate	43
Figure 4.2: Genders of Participants	44

ABBREVIATIONS AND ACROYNMS

ANOVA	Analysis of Variance
CBA	Commercial Bank of Africa
CBK	Central Bank of Kenya
CC	Communication of Changes
EP	Employee Participation
IT	Information Technology
KBA	Kenya Bankers Association
KS	Knowledge Sharing
NIC	National Industrial Credit
PC	Planning for Change
SD	Standard Deviation
SEM	Structural Equation Modeling
SPSS	Statistical Package for the Social Sciences

OPERATIONAL DEFINITION OF TERMS

Change Management Practices: These are practices that entail interventions within an organization which when properly executed in line with internal and organizational considerations facilitate the enactment of the processes of change. Change management practices have been reviewed on account of planning for change, communication of the changes, employee participation in the change process and knowledge sharing in the change process.

Communication: This is a change management practice where an organization disseminates relevant and needed information during change management process. The key communication areas to be focused on in the study include; communicating the vision, values, and performance outcomes, benefits of change and addressing people's concerns and fears.

Employee Participation: This is the degree to which the employees in an organization are engaged in the change process. The key areas of employee participation that the current study focused on include; empowerment, task assignments, aligning the job description, daily involvement, decision making, rewards and recognition.

Knowledge sharing: This is the extent to which knowledge is disseminated across all levels in the organization during the change management process. The specific knowledge sharing aspects examined in the study are; work methods, new technology, competitive conditions, development programs and operations.

Organizational Performance: The real results of a company as checked against the anticipated results. The current study examined organizational performance based on profitability, return on assets, customer base and customer retention.

Planning: This involves actions that an organization puts in place during the change process and the organized approach used to accomplish them. Planning has been assessed in the study based on processes, procedures, required skills, required staff, training needs, plan on areas to align and how to align.

ABSTRACT

A growing number of companies are concentrating on organizational performance. The majority of businesses have been implementing strategies to maintain and enhance their performance since the financial meltdown of 2008. Notwithstanding their efforts, many firms continue to struggle with implementing effective strategies that lead to sustained performance improvements. The examination into the effects of change management strategies on organizational performance is based on this significant issue. Key among the strategies are the change management practices. NCBA Bank in Kenya recently underwent through major changes as it is a product of a merger between National Industrial Credit Bank Limited and Commercial Bank of Africa Bank. As it begun its operations, it embarked on system upgrades to integrate the customers and clients of former Commercial Bank of Africa and National Industrial Credit Bank Limited bank. While the first step in consolidating its core banking systems proceeded smoothly, the second step faced a lot of challenges in the system migration resulting in customers incurring banking and regulatory penalties. The customers' outcry was evident as customers started experiencing intermittent services leading to major complaints from the customers. Nonetheless it was expected that the merger would result in improved profitability. The assessment therefore sought to check the nexus between the change management practices and organizational performance of National Commercial Bank of Africa Bank Plc, Kenya. The specific objectives were; to examine the effect of planning for change, impact of communication, employee participation and sharing of knowledge on organizational performance. The study was supported by the McKinsey 7s Model, Kotter's model, Kurt Lewin's Model and the theory of organizational performance. A descriptive research design was employed with a population of 856 employees of National Commercial Bank of Africa head office and 35 Branches within Nairobi County. The sample was 257 respondents determined through the stratified random sampling technique. Primary data was gathered using both open and closed ended questionnaires with the response rate being 79 percent. Documentary reviews were done to obtain information on the aspects of change management. Before the research instrument can be relied upon in the collection of the needed information, validity and reliability tests were done and the results from reliability found a Cronbach alpha of 0.765. The validity was evaluated in terms of both the content and the construct. Under the current study, Cronbach's alpha was adopted in carrying out the test. Data analysis was carried out using the multiple regression and correlation analysis which was aided by the Statistical Package for the Social Sciences. Lastly ethical norms were adhered to in every stage of the research. From the findings without the change management practices, the organizational performance of National Commercial Bank of Africa bank declines significantly by $R=2.194$ $p>0.05$. From the outcome, it is apparent that a unit improvement in change planning generates a notable growth in organizational performance of National Commercial Bank of Africa bank by $R=1.119$. $p<0.05$ all other factors held constant. Based on the outcome, a unit improvement in employee participation results in a significant improvement in organizational performance by $R=0.269$, $p<0.05$, holding the other variables constant. It is apparent from the findings that a unit enhancement in knowledge sharing shows a significant increase in organizational performance by $R= 0.276$, $p>0.05$ holding other aspects constant. This study recommends that future studies may focus on change management processes on other financial institutions like the insurance firms and mortgage firms.

CHAPTER ONE: INTRODUCTION

1.1 Background of Study

Organizational performance is fundamental for a firm to attain its objectives. Consequently, the way an organization designs and implements the change management strategies determines whether performance will be influenced either positively or negatively (Nkuraru, 2016). Most changes in an organization are prompted by changes and the dynamics in the business environment therefore it is upon the top management to make sure that all the variables that influence the changes within an organization are considered. More often changes are inevitable.

Globally major companies have witnessed change in organizational performance due to change management process. The change in organizational performance is however dependent on the way change is implemented. According to Insights (2020), any change management process should begin with identification of the potential areas of conflict, bridging the gap between the executives and the employees as well as addressing the needs. Elewechi and Turton (2009) studied the effects of corporate governance reforms on the performance of UK banks from 1999 to 2006, concluding that better governance practices led to improved firm performance. British Airways has been consistently making profits since its restructuring in 1981 through a change management plan (Krakoff, 2021). The changes entailed axing 22,000 employees and replacing old planes with new ones. At the center of the change management process was communication and leadership. Netflix successfully executed its change management as it transformed and adopted to digital platforms allowing people worldwide to watch online and this saw its subscribers increasing from 23 million to 137 million between 2011 and 2018.

Lego Company was making losses and in debts of US dollars 800 million but as it reinvented and adopted change management process its organizational performance improved and in 2015 it overtook its competitor Ferrari. With the 2008 global economic shock, most employers in companies all over the world made radical decisions which included downsizing their organizations in a bid to make profits (Olubayo, 2014). Asghar (2010) observes that changes among organizations have unrelentingly increased prompted by technological advances, liberalization of economies and democratization of economies. This has intensified

competition among businesses hence prompting them to adopt changes. A research done in the USA on change management revealed that if change management process is efficiently and successfully executed it can result in increased performance of an organization.

Effective change management techniques, like change planning, open communication, employee involvement, and knowledge sharing, have been directly associated with organizational success on a global scale. This is especially relevant in the banking industry, which is subject to swift changes in regulations and technology. In Africa, organizations tend to operate and function differently than similar companies in developed countries due to social and cultural factors and this in essence is reflected in its organizational performance (Amah, Okechukwu & Kabiru, 2019). A review by Hansen, Ishengoma and Upadhyaya (2018) showed that one of the drivers of organizational performance among the SMEs in Africa was the change management processes.

Most top companies in South Africa for instance have had to improve their organizational performance through the change management processes for instance, Standard Bank whose market capitalization is 306 billion rands and Anglo-American Plc whose market capitalization is 530 billion rands (Johannesburg Stock Exchange, 2021). The change management processes adopted by these successful companies included change in leadership and organizational culture. In Africa, companies have undergone series of changes as players continue to increase in the business environment (Nkuraru, 2016). In order for the business to compete globally, businesses have been forced to embrace the change management practices including; leadership, culture, technology and organization structure which ultimately affect the organization. With Change management the organizational performance is influenced depending on how the change is executed (Muia, 2015).

In the African banking industry, effective change management has placed a strong emphasis on employee involvement, leadership, and communication as key factors that lead to better performance. In Kenya, the banking sector has undergone change management processes like mergers and acquisitions, reforms in their policies, business process reengineering, review of products and development of alternate channels of service delivery in order to improve their performance.

For instance, in 2011, Cooperative Bank of Kenya refocused its corporate business within the performing economic sectors (Kinoti, 2015). The bank selected the CashPro internet banking suite for online banking. Most recently in 2019, the NIC bank and the CBA Bank merged to establish NCBA bank. Consequently, the bank underwent structural changes including the change in board composition, management and mode of operations.

Interestingly, these change management techniques have been applied locally by banks to enhance the provision of services and preserve competitiveness. The Kenyan banking sector has seen significant improvements in organizational performance, particularly in the areas of strategic communication, participatory change, and integrating the system. This study thus sought to address the influence that change management practices have had on the Organizational performance of NCBA Bank.

1.1.1. Organizational Performance

The dependent variable in this research is organizational performance, which measures how well an organization accomplishes its objectives in a certain setting. Variation in this study's outcome variable is assessed in relation to NCBA Bank's implementation of its change strategy. The issue of organizational performance has gained a lot of attention. Since the 2008 global economic crisis that led to the collapse of several organizations, particularly in the banking sector, a lot of focus has shifted to the strategies and policies that need to be set up to sustain or advance organizational output (Ion & Crivreanu, 2016).

The concept of organizational performance is twofold: first, performance is evaluated based on the external environment in which a business operates; and second, it is evaluated in relation to internally set objectives and targets (Bashaer, Singh & Farouk, 2016). The two of internal goal achievement and contextual flexibility are captured by this dualistic paradigm.

According to Silva (2014), various factors constitute organizational performance, including outcomes, effectiveness, and efficiency. Therefore, performance is to a greater extent contingent on the skills that a leader possesses, specifically in the execution of strategies. In managing organizational transformation and enhancing performance, it emphasizes the importance of leadership competencies. It therefore means that change management requires

the right leadership for it to succeed, as evidenced by the performance of an organization (Randeree & Al-Youba, 2009).

Organizational performance is also described as the level to which an institution attains its aims efficiently. The measures of organizational performance are generally categorized into financial and non-financial indicators. It combines both financial and non-financial metrics that reflect organizational outcomes in relation to predetermined targets (Leban & Euske, 2016). As stated by Burnes (2009), financial metrics include profits, return on equity, return on assets, sales revenue, cash flows, market share, efficiency, and shareholders' return. The non-financial indicators include employee productivity, employee job satisfaction, customer satisfaction, customer retention, customer loyalty, quality of products and services, and personnel development (Joner, 2009). A deeper awareness of organizational performance can be obtained by using both sets of metrics in balance.

Kaplan and Atkinson (2015) noted that while financial performance indicators remain the most widely used method for assessing performance, they present limitations. One major limitation is their ineffectiveness in gauging long-term performance. Additionally, financial indicators predominantly analyze internal operations and exclude critical external dimensions, such as customer satisfaction and competitor activities, which are typically captured through non-financial metrics. As such, non-financial performance indicators can provide deeper insights into the long-term viability of an organization (Kogila, 2016).

The main non-financial indicators of bank performance include customer retention, employee satisfaction, market share, and customer outreach. Market share represents the organization's hold in the market that is, the portion controlled by the company (Agunis, 2009). Customer outreach reflects the growth in customers acquired overtime. Employee satisfaction denotes the extent to which employees and clients are content with the services provided. Customer retention measures how well a company sustains its client base by consistently meeting expectations through its products or services (Shoab, 2011).

Evaluation of organizational performance has generally focused on both financial and non-financial parameters. The financial and non-financial measures utilized in this study include profitability, return on assets, customer base, and customer retention. As explained by Jon and

Randy (2009), one way to assess organizational outcomes is by examining customer loyalty, which is often manifested in high levels of customer retention. Clear observable financial outcomes and relational metrics for quality are offered by this strategy.

The merger of CBA and NIC banks was primarily motivated by the need to expand the customer base and enhance profit margins. As of 2020, the merged entity NCBA Bank had achieved a customer base of 18,922 (NCBA, 2020). The bank upgraded its system that same year, as part of the strategic changes prompted by the merger between NIC and CBA Banks in Kenya. However, they experienced significant implementation challenges, which led to customer outcry due to service disruptions and unmet expectations.

The instances of financial and non-financial factors are included in the multifaceted concept of organizational success in this study. Economic viability, customer base expansion, and keeping clients have been tailored to evaluate performance. In line with the multifaceted nature of organizational performance in the banking industry, those metrics were chosen to represent both outward client-focused outcomes and internal operational efficacy. With this method, NCBA Bank's execution oversight during post-merger transformation strategies is thoroughly assessed. It is on this premise that the present study examined organizational performance as influenced by change strategies at NCBA Bank, Kenya.

1.1.2 Change Management Practices

The present study's independent variable, change management techniques, pertains to the systematic approaches, procedures, and treatments that businesses employ to efficiently handle changes. To reduce objections and promote stakeholder engagement, these methods are intended to guarantee that changes like transformation, alliances, or technological transitions are implemented in a methodical manner.

According to Raineri (2011), change management practices entail interventions within an organization which when properly executed in line with internal and organizational considerations facilitate the enactment of the processes of change. The execution of change management practices depends on the interaction and level of understanding between those executing the change management practices and those whom the change management practices will affect; in this case the employees (Herrington, 2021). According to Jouany and Martic

(2022), while 38 percent of people within an organization would embrace change, a significant percentage (62 percent) will resist changes due to fear of being rendered unemployed. Consequently, change management practices should involve not just developing structures for its implementation but it encompasses; communicating effectively to the employees and all the stakeholders in the change management process, planning and resource mobilization, and mobilizing the employees to embrace the changes (Krakoff, 2021). Change management practices include planning for change, transparency, effective communication, involvement of all stakeholders, building a clear road map, training, introducing proposals for incentives and knowledge sharing, among others.

According to Akinyi and Mwirigi (2016), during mergers change management is inevitable because it involves two organizations with different organizational cultures being brought together. Alvarez and Marsal (2019) identified four main pillars of change management in mergers and acquisitions which include; determining who is going to lead and the implementation plan, developing a comprehensive and segmented communication plan, identifying the impacts of the transaction on stakeholders and developing customized training and knowledge sharing. The application of these practices is common as it makes the employees and customers comprehend why the changes are necessary. Further, they help the change process and transformation smooth (Mumbi, 2020). In light of the current study whose focus was the NCBA Bank which is a product of the merger between the NIC and CBA Banks, these change management practices were examined.

Planning for change is a change management aspect that involves actions that an organization can put in place during the change process (Schuster, 2016). It is an action plan or a framework that gives direction on how the changes can be affected in an organization. Change management effectively entails making things different in an entity in a way that does not interrupt the daily undertakings (Kogila, 2016). An excellent process of managing change defines explicit and clear methods of going through business operations. The principal objective of formulating a structured change management is to guarantee that there are minimal negative consequences from changes introduced. Organizational stakeholders should come up with modes of monitoring and successfully executing changes by creating a plan that recognizes why change is needed (Maina, 2018). The NCBA Bank's internal systems,

particular procedures, skill demands, staffing, education needs, and alignment techniques were all considered in this study while planning for change.

Communication is also essential in the change management process (Micu & Necula, 2018). This is a change management practice where an organization disseminates relevant and needed information during change management process. (Syahmi, et.,al, 2018) observes that dialogic communication helps in ensuring that the organizational change is successful. The key communication areas to be focused on in the study include; communicating the vision, values, and performance outcomes, benefits of change and addressing people's concerns and fears. As observed by Miller (2014), communication is a fundamental element of an organizational change management as it helps in identifying and coming up with the excellent stakeholder consultative and engagement methods in the entire change execution journey. Communication helps in priority identification and helping staff and customers to comprehend the changes proposed reasons why the merger is happening, what will change for each stakeholder group, merits as well as elucidating motive behind probable negatives. Communication is also enhanced through the involvement of the spokespersons within the informal groups as it guarantees that the nitty-gritty, messages and themes on change are efficiently communicated (Khadid & Rotich, 2017). Further, through constant communication employees become more aware of the overall objectives and rationale for change so that they can broadly communicate to various groups. An organization needs to develop a wide-ranging communication arrangement that ensures messages are communicated at the opportune moment, to the correct audience and using the appropriate communicator (Alvarez and Marsal, 2019). A communication is deemed effective if it is two ways; where employees interrogate while asking pertinent questions and giving ideas (Miller, 2014). The organization ought to also make the most of broader channels of communication to optimize the influence and ensure stakeholders like customers, employees and vendors are able to receive the information. The timing, significance, transparency of goal, stakeholder targeting, and worker input mechanisms were the main factors used in this study to evaluate communication.

Another key aspect of the change management process is the employee participation. Employee participation is the point to which the staff get embroiled in the change exercise. The involvement of the employees is vital since the changes may affect them in one way or

the other (Nkuraru, 2016). In incorporating the employees in the change process an extensive job training has to be done (Kinoti, 2015) which involves even changing the organizational culture. According to Maina (2018), employee participation is a vital tool in change management. However, employee participation is largely dependent on the leadership style exercised during the change process (Wamiti, 2021). Through leadership, employees can be directed and guided on the impending changes and encouraged to participate in executing changes. Leadership fundamentally is the ability and skill of an organization or individual to direct teams in a change process (Wamiti, 2021). Leadership can be participative, transformational, transactional or laissez-faire. With participative leadership, the input of employees and all teams is seriously taken into consideration notwithstanding that it is the participative leader who makes the final decision (Maina, 2018). Work delegation, responsibility coordination, compensation systems, promotion tactics, and procedures for decision-making involvement were used in this study to gauge employee participation.

Knowledge sharing is also fundamental in any change management process. This is the extent to which knowledge is disseminated across all levels in an organization during change management process. According to Zelenkov (2018), sharing of knowledge can significantly help in improving the organizational performance throughout the change process as employees get acquainted with the different work methods and new technologies in an organization. As noted by Khalid and Rotich (2017), knowledge transfer enhances organizational learning and is a very fundamental aspect when it comes to change management. Knowledge transfer presumes that an organization would improve with time as the change implementers gain talent and experience which is fundamental in the creation of knowledge that gives value to organization (Nyandoro, 2015). Knowledge transfer results in new business innovations, concepts and ideas hence averts the complexities that accompanies change introduction in organizations. The distribution of work methods, utilization of new technology, understanding of market dynamics, and the execution of initiatives for growth were all examined in this study to assess knowledge sharing.

1.1.3. NCBA Bank Kenya PLC

NCBA Bank is a product of a merger between the NIC bank and the Commercial bank of Africa (CBA) which took effect on September 2019. The CBA bank was first established in

Tanzania in 1967 and it mainly focused on big corporations as its market niche. The ownership constituted individual and institutional investors from East Africa and Kenya with subsidiaries in Uganda, Rwanda and Tanzania. The NIC bank on the other hand was established in 1959 and initially operated as a non-financial institution. They got a license in 1995 from CBK and merged in 1997 with Africa Mercantile Ltd. It had its presence in Uganda, Tanzania and Kenya. As a result of the merger, several structural changes were affected including the change in the board composition and members (NCBA, 2020). The business operations also underwent major changes.

As it begun its operations, the bank embarked on system upgrades to integrate the customers and clients of former CBA and NIC bank (Murimi, 2020). While the first step in consolidating its core banking systems proceeded smoothly, the second step faced a lot of challenges in the system migration resulting to customers incurring the banking and regulatory penalties in September and October 2020. This forced the bank to issue an apology (ncbagroup.com). Customer dissatisfaction was evident as customers started experiencing intermittent services leading to major complaints from the customers. Major changes in the management structure were also witnessed. Instead of just assessing service interruptions, this study examines how NCBA's organizational performance was impacted by these operational integration issues and improvements in structure as measured by monetary indicators, staff contentment, resilience of the system, and maintaining client relationships.

NCBA bank has several products provided under different departments (Murimi, 2020). The corporate banking department is a department handling the needs of various institutions within the bank hence the department mainly deals with big business entities or companies (NCBA, 2021). The investment banking department offers customers an opportunity to invest by putting money to get returns in a given period. The foreign exchange transactions are handled under the treasury department. Further there is an e-channels department which mainly deals with internet and mobile banking products. The other department is retail banking tasked with handling the banking needs of individuals and small and medium enterprises ranging from loans, accounts, credit cards, overdrafts and other banking products (NCBA, 2020). NCBA is widely recognized for their M-Shwari product which allows clients to open an account using their mobile phone to be able to save, borrow and make transfers to Mpesa account. This has

made banking easier even for those customers who do not have a bank account. The bank is also known for financing mortgages and asset finance facilities. Particularly in light of the consolidation, the analysis considers the performance impacts of NCBA's diverse product offerings and online banking networks.

Further supporting this emphasis on organizational success is empirical data from banking studies conducted in Kenya. Although they may raise market risk, Wangechi et al. (2020) discovered that mergers in Kenyan banks dramatically boost ROA and liquidity over time. Good governance and coordination of systems after a merger is a key sign of sustained performance gains that surpass the initial financial boost, according to Otieno (2021). Strategic change initiatives and bank performance in the NCBA sample of Mombasa branches showed a substantial positive correlation ($r = 0.699$, $p = 0.000$). The analysis of NCBA's organizational performance after its merger-driven changes is anchored by its results.

1.2 Statement of the Problem

The merger between NIC bank and CBA bank prompted changes in its systems, mode of operations and management. The merger was initially marred by several challenges occasioned by how changes were implemented (Murimi, 2020). As changes were implemented most customers incurred regulatory penalties forcing the bank to issue an apology (ncbagroup.com). The customers' outcry was evident as customers started experiencing intermittent services leading to major complaints from the customers. Major changes in the management structure were also witnessed. The aim of the merger was to strengthen both institutions in terms of increasing their customer base and market share to a Tier 1 bank, profitability and returns to the shareholders.

From the financial aspect, prior to the merger of the banks, the market share was lower in comparison to post merger. According to the CBK press release on the merger report (2019), as at 30th June, 2019, NIC bank had 4.3% share of market while the market share of the Commercial bank of Africa (CBA) was 5.6 percent. Upon the merger of the two banks in 2019, the market shares improved to 10.1% in 2020. The merger saw the bank become the fourth largest in Kenya following Coop bank, KCB and Equity bank. The market shares for the year 2021 was 9.7%, a drop from the 10.1% recorded the previous year. Further the profit after tax

in 2018 was approximately Ksh. 5 billion which increased to about Ksh. 7.8 billion in 2019. The total assets also increased from Ksh. 245 billion in 2018 (before merger) to Ksh. 495 billion in 2019 and then later to Ksh. 491 billion in 2020 (post-merger) according to NCBA integrated report and CBK supervision report. NCBA bank's profitability however declined in 2020 by 32% (from Ksh.7.8 billion in 2019 to Ksh. 5 billion in 2020) representing the period after the merger. The changes at NCBA bank encompassed change in board of directors and the entire leadership, this could be an indication of the consequence of change management practices on performance which this study sought to ascertain.

Variable financial and market results are shown through investigating NCBA's overall performance during the four years of 2019 to 2023 after the merger (2019–2023). Profitability fluctuated, declining in 2020 to Ksh 5 billion and then slightly increasing in 2021 to Ksh 10 billion, Ksh 13 billion in 2022 and further to Ksh 21 billion in 2023, but still falling short of pre-merger levels even as total assets increased steadily, reaching about Ksh. 734 billion by 2023 from Ksh 619 billion in 2022, Ksh 591 billion in 2021 and Ksh 491 billion in 2020. Following a minor decline ensuing from the merger, market shares also leveled off at 9.5%. Variance in customer base expansion as well as loyalty rates reflects persistent integration issues that probably affect the overall effectiveness of the company. According to these patterns, operational effectiveness and long-term profitability are still issues related to the change management procedure during merger integration, even with size increase.

Previous studies have several research gaps; conceptual, contextual and methodological gaps. First, most of the past studies have conceptualized change management practices on the basis of leadership, culture, structure and technology. For instance, Jalagat (2016), Wanza and Nkuraru (2016), Rosenbaum, More and Steane (2018) and Linjuan, Yue and Liu (2020) focused on change management from the standpoint of structure, leadership, technology and culture. Further the studies that have established the link between the performance of an organization in relation to change management practices have often assessed it on the basis of employee performance and corporate objectives. Some have focused on financial performance alone as opposed to the overall organizational performance. A study by Akinyi and Mwirigi (2016) assessed the application of change management in CBA bank and its effect on financial success. The study concentrated on profitability as a measure of financial performance.

Additionally, this was the period before the merger. Linjuan, Yue and Liu (2020) assessed the consequence of executive communication on the support of workforce for an organizational change. The study did not however evaluate the link between communication as a tool for executing organizational change and the organizational performance which was the focal point of this research. Secondly most of the studies were done on organizations that are in different industries and different countries. For example, Micu and Necula (2018) assessed on the nexus between organizational communication and management of change among the European organizations. The study covered big organizations in both private and public sectors.

Furthermore, empirical studies that expressly address the banking industry in Kenya, especially those that examine the fallout from substantial acquisitions like NCBA's, are severely lacking. The majority of the available research focuses on change management in other industries which limits its applicability to the particular environment of NCBA. When evaluating organizational success after a merger, few studies combine financial and non-financial variables like profit with indicators related to market share and retaining clients. To fully comprehend the effectiveness of change management procedures in the Kenyan banking sector, especially in the realm of merger integration, these deficiencies must be filled. By assessing NCBA's change management procedures comprehensively and their impact on organizational performance, it is possible to close these gaps.

1.3 Objectives of the Study

To maintain long-term viability and consistency in organizational change, especially in the banking industry, necessitates systematic and intentional processes. To understand how change management strategies impact the overall performance of Kenyan commercial banks. The research solely focuses on NCBA Bank.

1.3.1 General Objective

The general objective of the study was to examine the change management practices and organizational performance of commercial banks in Kenya with a focus on NCBA bank Kenya Plc.

1.3.2 Specific Objectives

- i. To examine the effect of planning for change on organizational performance of NCBA Bank Kenya Plc.
- ii. To establish the effect of communication of changes on organizational performance of NCBA Bank Kenya Plc.
- iii. To evaluate the influence of employee participation on organizational performance of NCBA Bank Kenya Plc.
- iv. To determine the effect of knowledge sharing on organizational performance of NCBA Bank Kenya Plc.

1.4 Research Questions

This analysis was directed by important research questions to gain a deeper understanding of the connection between organizational performance and change management strategies. To keep the inquiry thorough and targeted, every question is in line with a particular goal.

1. How does change planning affect performance at NCBA Bank Kenya Plc?
2. What is the effect of change communication on the bank's performance?
3. How does employee participation influence organizational performance?
4. What role does knowledge share play in performance outcomes?

1.5 Relevance of the Study

The banking industry will gain information on how it can integrate the change management practices and organizational performance. This will help the commercial banks to design strategies that are customer oriented.

Financial organizations, especially banks going through transformations like mergers, should use the study's findings to match their internal procedures with the performance goals they have set. It also provides a strategy scheme for regulating change in the banking industry and highlights the importance of internal organizational processes in developing quantifiable performance metrics.

The study is expected to enhance empirical literature on change management practices and organizational performance. Especially in underdeveloped nations where there is a dearth of

such research, notably, this study adds tailored knowledge to the larger academic conversation by concentrating on a Kenyan financial organization. This will build a comprehension and form the foundation for further studies on change management.

This study's variables and conceptual approach may also be useful for forthcoming scholars. It will also be of great use to policy makers who include the Kenya Bankers Association (KBA), Ministry of Finance, Central Bank of Kenya (CBK) in coming up with policies and practices of ensuring growth of the Kenyan banking sector which is a major segment in Kenya.

The report recommends that as part of a broader institutional reform agenda, policy stakeholders concentrate their efforts once more on improving internal management processes. By implementing strategic change, these findings can be used to create policies that promote long-term organizational growth.

1.6 Scope of the Study

The research targeted NCBA Bank Kenya Plc. The branches within Nairobi were examined. The aspect of change management practices that were focused on include; planning for change, communication, employee participation and knowledge sharing. Organizational performance focused on profitability, return on assets, customer base and customer retention. There were 203 respondents of the study out of the targeted 257. The respondents constituted the 94 staff at operations, 66 supervisors, 32 middle level managers and 11 top managers. The management was drawn from various departments within the bank including; Retail banking department, Credit department, Operations department, Human Resource Department, Corporate banking, Sales and marketing department, Finance department, ICT department, Risk department and Internal audit department. The study was done in the NCBA Head office and in Nairobi branches and was carried out between August 2023 and December, 2023.

Because Nairobi County is home to the bank's headquarters and several operational branches, this research's geographic focus was restricted to that area. A sample with adequate representation of the bank's organizational structure and transformation procedures was thus made available. Four essential change management practices communication, employee participation, knowledge sharing, and change planning and their effects on organizational

performance were the main topics of the subject matter of scope. Yield upon assets, profitability, client base, and customer retention were used to gauge performance.

The study's time frame focused on the years 2019–2023. This time frame was picked because it corresponds to the period right after NIC Bank and Commercial Bank of Africa merged to establish NCBA Bank. Evaluation of the post-merger change management procedures and their effect on performance was made possible by it.

1.7. Limitation of The Study

The study mainly focused on the NCBA Head office and branches located in Nairobi. Due to the time constraints and the budget constraints, it was not possible to visit every NCBA branch hence the focus on the Head office and Nairobi branches that oversaw the policy and implementation of the change management across all the NCBA Branches in Kenya.

Given that regional branches outside of Nairobi might have distinct operational patterns and reactions to change management techniques, this geographic restriction could compromise the validity of the results externally. To make certain that the insights gathered were indicative of the larger organizational structure, the study purposefully included a cross-section of divisions throughout the chosen branches.

The implementation of self-administered questionnaires as the main instrument for gathering data was an additional disadvantage. Because participants may give answers that are more socially acceptable than truthful representations of their encounters, this approach may be vulnerable to response distortion. The concept of anonymity and secrecy were maintained throughout the study to lessen this, which prompted participants to give truthful answers.

Another difficulty was time, especially when trying to get in touch with some of the top management who weren't always available. This was addressed by extending the time frame for data collection and implementing flexible scheduling, which included virtual follow-ups when needed. Due to its reliance on quantitative approaches, the study may not have fully understood the subjective experiences of staff members amid the process of change. Open-ended questions were included to the questionnaire to gather qualitative responses in an effort to somewhat offset this.

1.8. Organization of the Study

The project has 5 chapters with the first one being a presentation of the background which discusses the change management practices, organizational performance and NCBA Bank, Kenya. The chapter also discusses the, statement of the problem, objectives, research questions, relevance of the study, scope of the study and the limitations. Chapter two is a discussion of the theoretical review, which discusses the McKinsey 7s, Kurt Lewin's and Kotter's eight step models as well as the concept of organizational performance. The chapter also discusses the empirical review which discusses studies on; planning for change, communication, employee participation and knowledge sharing. It also discusses the synopsis of literature, gaps of the research and the framework used. The methodology used in the research is presented in the next chapter specifically; research strategy, data collection instruments, sample design, pilot study, data validity, reliability and analysis. The outcome of the research including; rate of response, demographic records of the participants, descriptive statistics, correlation matrix and regression analysis are presented in Chapter four. Chapter five shows the summary of the study, conclusions, recommendations and suggestion for future studies.

CHAPTER TWO: REVIEW OF LITERATURE

2.1. Overview

This chapter examines relevant research-related literature. A comprehensive review of past study on change management techniques and organizational performance is provided, together with the framework of concepts and theoretical models that served as the research's compass.

2.2 Theoretical Review

The study was premised on the McKinsey 7s, Kotter's eight steps and the Lewin's Models as well as the organizational performance concept.

2. 2.1: Mckinsey 7s Model

The three McKinsey consultants; Peters, Philips and Waterman proposed the concept in 1980 and were assisted by Pascale Richard and Athos Anthony. The model views an organization from seven perspectives; strategy, systems, structure, style, staff, shared values and skills. As an organization pays attention to these elements, it is able to identify whether they have been aligned effectively and whether they give an impetus to an organization to realize its objectives. The model reveals that a change in any area of the models is enough to prompt an organization to change the rest so that a company can effectively function. This model is mostly used when a company is implementing change and in facilitating mergers of organizations (Ovidijus, 2013).

The model has however been criticized for ignoring the significance of the external environment in the change process for instance technology is an external factor that can influence change or that can prompt an organization to remodel itself. Another criticism of the model is that it fails to give a comprehensive view on the effectiveness of an organization and performance. Other scholars also describe the model as static and lacking in terms of explanations with empirical models (Maru, 2015).

In the application of the model, it explains strategy as one of the elements of change management (Kritsonis, 2005) which will be assessed in form of planning for change. In change management, the main focus is identifying the areas to align and how they will be aligned. In this case, planning comprises of the processes, procedures, required skills, staff

requirement needs, areas to align and how to align them. The McKinsey Model identifies the systems as key in change management (Ovidijus, 2013). Under the system, the model suggests that an organization should be able to review the company's processes and procedures that reveal the daily operations and activities. Additionally, the model emphasizes on the skills of the employees on the basis that for any change to be effectively executed, the skills of the employees should be adequate (Hughes, 2007). The model also focuses on staff where a company is required to determine the number of employees required, how they will be recruited, trained and rewarded. In planning for change therefore the McKinsey Model was used since one of the objectives was to examine the correlation between planning for change and the organizational performance of NCBA Bank, Kenya.

2. 2.2: Kotter's Eight Steps Model

It begun in 1996 and was established by John Kotter. It outlines eight steps through which change can be executed within an organization. The steps are aimed at building motivation among the team and insistence on the necessity of change. (Tayari & Mutinda, 2019). This also entails having honest and open communication with the employees in an organization by showing them the state of performance and why change is urgently required. The second step is the formation of a powerful team by ensuring the support from the leadership and all the people within a company. The next step involves the formation of change vision where people can understand the direction that the company is heading to. The fourth step which is one of the most fundamental steps is communication. The vision of an organization with respect to the changes needs to be effectively communicated to the entire team. The fifth step is removing the obstacles so that people can be empowered. The next step is the creation of the short term targets which is followed by building on the change with the purpose of making improvements and finally anchoring the changes in the culture of an organization (Sun & Shang, 2019).

The Kotter's Model has also been faced with criticism. According to O'Keefe (2011) the model is flawed as it views change as a one-time occurrence which has a distinct start and a positive finish achieved through the eight steps. This is not the case in that in the dynamic business environment, there is continuous change hence change is an endless process as opposed to a one-time occurrence. Further, the model is criticized for depicting change process as more of a leadership driven process yet even the employees have an influence on how the change

process is carried out. Nonetheless, the model has been extensively used in understanding the change management.

With respect to the current study, using the Kotter's Model, communication is identified as one of the key elements of change management. The current study examined communication in terms of communicating the vision, addressing the concerns and fears of the employees, communicating the benefits of change and communicating the expected performance outcomes. This model therefore guided the researcher in examining the relationship between communication as a change management practice and the organizational performance with a focus on the NCBA Bank in Kenya.

2.2.3: Kurt Lewin's Model

The model is also referred to as the unfreeze-change-refreeze model and was developed by Kurt Lewin in 1940 (Cummings et al., 2015). He proposed a three - step process that describes how change within an organization can be executed and consequently the model has been widely adopted in the change management processes in many organizations. According to the model for any change process to be successful, an organization must understand why the change must happen; in other words, the motivation for change needs first to be created before the change can materialize.

The first stage involves setting and preparing a company towards change by getting rid of the status quo prior to coming up with the changes. This process is referred to by Kurt Lewin (1940) as unfreezing. In this step, the existing beliefs, attitudes, behaviors and values have to be challenged by pointing out why change cannot happen while they exist. An organization is compelled to reassess its operation and motivate the employees to effect the changes.

The second stage is the change stage. In this stage, uncertainties are resolved and people get to action. People take a while to embrace change and the different direction hence this stage involves taking certain measures including; knowledge sharing and ensuring participation of all people within an organization. Due to its alignment with the independent variable of knowledge sharing, this feature renders the model pertinent to the ongoing investigation. To reduce ambiguity and facilitate the successful implementation of change efforts, information

exchange is essential during the transition stage. The specific issues dealt with here include task assignments, empowering employees, development programs and work methods.

The last stage is called the refreeze stage which is usually accompanied by a good organizational chart, proper job descriptions and celebration of the success which may be done through rewards and recognitions (Raza, 2019).

The Kurt Lewin Model has been criticized for making the change process too simplified (Cummings, Bridgman & Brown, 2015). For this reason, the steps under each phase are subject to different interpretations. It is also criticized for emphasizing the breaking up of the equilibrium in the unfreezing process hence it is combative and does not foster a nurturing change environment.

The model was helpful to the current study as it sought to look at the consequence of participation and knowledge sharing on the organizational performance of NCBA Bank. It brings to fore key aspects of the change management process which include participation of the employees and all people involved in the organization and the sharing of knowledge to facilitate the continuous and effective execution of the changes. The model explains why knowledge sharing is an important factor in organizational change and why it should be included as an independent variable in this research.

2.2.4: Framework of Organizational Performance

Robert Carton developed the framework in 1996 and it seeks to explain the concept of performance from different perspectives. Under this theory, performance of an organization is traced to personal and individual performance. It is also largely dependent on the theory of organizational behavior which explains the culture and the environment under which a company operates. For instance, as an executive advances his performance level, he is able to organize people and resources in an effective way to achieve good results for the organization (Elger, 2014).

The theory examines the performance of an organization from seven key areas which are; quality improvement, decrease in costs, increase in capability, increased capacity, increase in knowledge, increase in skills and increase in motivation and identity. An increase in quality implies that the products are more effective in meeting the expectations of all the stakeholders.

Decrease in cost means that the amount of financial resources to produce an output goes down while capability entails the ability to deal with more challenging projects. Skills enhancement entail the capability to come up with goals and maintain a good outlook for an organization. A knowledge increase entails the breadth and depth of improvement of understanding. An improved capacity implies that the company has the ability to generate additional output. Lastly, improved motivation and identity means that individuals inside an organization grow a better sense of their contributions and roles within an organization (Elger, 2014).

The theory was of help in the current study as it tried to link the change management with performance within the banking industry. In particular, it facilitates comprehension of how enhancements in cost reduction, capacity, and capability impact organizational performance metrics like revenue. Moreover, the idea highlights the need for excellence improvement, knowledge expansion, and skill growth in supporting customer base and keeping clients. In examining the aspects of performance like profitability, return on assets, customer base and customer retention, the theory of performance will provide an understanding.

2.3 Empirical Review

Previous studies done on change management are mainly critically discussed in this section based on the four elements of change management; change planning, communication, employee participation and knowledge sharing in relation to organizational performance.

2.3.1. Planning for Change and Organizational Performance

Khoshtaria (2018) researched on role of planning on the organizational performance. The constructs of planning were; degree of planning, rational planning and objective fulfillment. A regression analysis was employed in evaluating the nexus between the independent and dependent variable. The outcomes from the review indicate that planning for change greatly impacts the success of organizational objectives. It was ascertained that management need to ensure that any plan for change in an organization is properly aligned to the corporate objectives and goals for the change to be meaningful. The study however largely concentrated on the corporate goals and objectives as the dependent variable whereas the current research specifically examined performance in relation to how planned changes can influence it.

Schuster (2016) assessed on how planning helps in ensuring a successful organizational change. The study mainly assessed the organizations within the public sector across countries in Europe. It was observed that there is an affirmative correlation between planning and organizational change. It was revealed that one of the critical contributing factors towards program failures in the public institutions was the absence of a good change management plan and therefore while the executive focus on the various aspects of the projects they must ensure that there is adequate level of planning. One area that the study identifies is the planning on how to mitigate the impact of personnel changes which is very critical in the change process. The assessment nonetheless did not establish the connection between planning and organizational performance in the midst of change process which was focused on in this study.

Rosenbaum, More and Steane (2018) sought to assess the management of the planned organizational change from the basis of the Kurt Lewin's model. A total of thirteen planned organizational change models were identified. The findings from the assessment revealed that planning is fundamental in organizational change. However, the study established that for planned change to effectively take place there has to be an inclusion of other interrelated processes which include the group dynamics, action research in addition to the examination of the various facets of change. It did not however examine how the planning for change will help in the improvement of the organizational performance. Additionally, the study focused mainly on a review of the existing literature while the current study collected data then subjected it to analysis.

2.3.2: Communication and Organizational Performance

Abdi and Rathmaya (2017) sought to examine the management of employees and advancement of internal communication all through the change process. A qualitative study of MTR Tunnelbanan Company in Sweden was done with interviews being applied in the collection of data. The key finding from the study revealed that communication is important in change process. Therefore, communication process should drastically increase during the change process so that the risk of misunderstanding and rumors can be minimized. The role of communication in organizational performance was however not assessed in the study hence the current study aimed at filling the research gap.

Syahmi, *et.,al* (2018) tried to find out the role of dialogic communication on the successful organizational change. The study focused on the public service education sector in Malaysia. The target populace was 335 respondents within the sector and the sampling was done through the multi-stage sampling technique. The analysis was done using the SEM model. According to the outcome of the research, dialogic communication's role in ensuring the achievement of organizational change was significant. The relationship was found to be positive. The study was nevertheless focused on the public sector whose contextual setting is different from that of the banks which was the main focus in the current study. In addition, while the study reviewed the role of communication on the organizational change, it does not establish how this will ultimately help in improving the organizational performance hence the current study aimed at addressing this gap.

Micu and Necula (2018) assessed on the nexus between organizational communication and management of change among the European organizations. The study targeted chief executive officers of ten organizations; five in both private and public sector. The required information was collected using interviews. In the analysis content analysis was relied on. The findings from the study exhibits communication as very significant in the management of change and in influencing its success. The study did not however ascertain the nexus between communication as a change management tool and the performance of an organization which was the main motivation of the current research. Secondly, while the research was carried out was on a European context, the research was however study conducted in Kenya focusing primarily on the Kenyan banking sector.

In another study, Haqq and Natsir (2019) examined the components of readiness to change with change efficacy and communication being the antecedents. The study examined Shariah rural bank in Pakistan. Data collection was done through the questionnaires and SEM model was used in the analysis. The findings exhibit that communication of change influence attitudes towards change readiness and efficacy of change. This implies that with effective communication change processes within an organization have higher chances of success as the attitudes of employees are shifted towards embracing change. The study however does not give the specific aspects of communication that needs to be made in relation to change. The current study examined communication as a change management practice. These are set of actions and

managerial decisions that an organization carries out in order to deal with changes in the environment with key components being; communication of the vision, communication of the benefits of change, communication of the values and communication that addresses the concerns and fears of the employees. Further communication was assessed in relation to organizational performance.

2.3.3. Employee Participation in Change Process and Organizational Performance

Sverke, Hellgren, Goransson and Ohrming (2009) studied how employees' participation helps in the execution of organizational change in the Swedish hospitals. The main focus of the study was two public hospitals in Sweden which had implemented downsizing programs. The correlation between the variables was gauged using correlation analysis. The conclusions from the study indicated that proactive implementation was positively correlated with employee participation in the change process. This is because proactive implementation prepared the employees adequately on the anticipated effects of the changes as well as clarifying on where they stood in the implementation process. Further it was recognized that the attitudes of the staff influenced the participation of the employees. It was therefore accepted that the participation of the employees influenced the organizational change. The study however was focused on the Swedish hospitals which fall within the health sector and whose context is diverse from the banking segment assessed. Further, the current study employed regression and correlation analysis as opposed to the study which employed correlation analysis alone.

Randall and Nielsen (2012) investigated on significance of ensuring the employees participation in an organization's change process. The study was focused on organizations in Denmark and the target population was 583 organizations. Participation was examined from two standpoints; participation in the planning stage and participation in the implementation of the change process. The main finding from the investigation which was done using correlation showed that the employee participation in the planning and execution stage can help in making sure that the change takes place in an organization. Whereas the study investigated the significance of employee participation in change process in an organization, it does not assess how this eventually leads to the improved organizational performance. The study's institutional setting was distinct from that of the current study in that it was done in Denmark while this study was conducted in Kenya.

Muema (2012) assessed on the nexus between the involvement of the employees and their cynicism about the changes at the Nairobi City Council. The participation of the employees was examined on the basis of training and communication. The Nairobi County council officers was the target populace and descriptive research design was utilized. Stratified random sampling was applied in choosing the sample of 121 officers and data collection done using the questionnaires. In analyzing the relationship, a Pearson's correlation analysis was done. The main result from the study revealed that there was a correlation between employee involvement and cynicism about the changes at the council. It was found that a comprehensive involvement of the employees helped in significantly reducing their cynicisms about changes in an organization. The major limitation from the assessment is that it does not establish the link between the involvement of the employees and the organizational performance in the wake of organizational changes which the current study assessed.

Beijer and Gruen (2016) examined on the engagement of employees during a change in an organization in the insurance companies in Sweden. The independent variables were empowerment and job involvement. An exploratory research design was used in the research. Data collection was conducted using interviews and thematic analysis carried out. The outcome from the research indicated that most employees felt that they their involvement in the process of change and as such their contribution was minimal. The employees who were interviewed also felt that their empowerment in the change process was very low and as a result, their willingness towards putting some added efforts was not their priority. The study was limited in that it mainly delved into engagement of employees during change in organization and how it influenced their performance but does not look at the performance of the organization which was the research's key focus. Another limitation is that the review was performed in Sweden, a country with different background and culture from Kenya.

Butali and Njoroge (2018) conducted a study on the nexus between the participation of the employees and organizational performance with the commitment to the organization being examined as a moderator. The population of the study was 5,865 employees of Mumias Sugar Company, KenGen and Kenya power which are some of Kenya's state corporations. In the collection of the data a descriptive research method was applied. The conclusion pointed out that participation of the employees had a substantial and positive impact on the performance

of an organization. Additionally, it was established that commitment to an organization, effectively moderated the connection between the participation of the employees and organizational performance. While the study delved into employee participation in the organizational processes and how their participation influence performance, it does not adequately address the issue of employee participation in the change process which was the main focus in the current study. The current study also targeted the banking sector whereas the study was focused on the Kenyan state corporations.

2.3.4: Knowledge Sharing and Organizational Performance

Ghosh, Ameen, Al-shibami, Maram and Almulla(2018) examined the influence of sharing of knowledge on the management of organizational change among the oil companies in Abu Dhabi. A total of 308 employees from two oil companies were randomly sampled and questionnaires administered to them. A structural equation modeling (SEM) was used in establishing the relationship. Knowledge sharing was noted to have an affirmative control over the management of organizational change. Whereas the study employed SEM model, this review engaged the multiple regression model in its analysis. Secondly, while the research assessed on the part played by knowledge sharing in organizational change in the oil industry, the current study assessed knowledge sharing as a change management practice element within the Kenyan banking industry.

Eaves, Kumar, White and Loonam (2018) evaluated on how sharing of knowledge on information technology helps in ensuring success during a joint venture change among European organizations. The key finding from the study was that during a joint venture change management, employees can play a critical role through their deliberate efforts to share their knowledge. However, the study found out that the extent to which the employees can share their knowledge is influenced by perception of the value of knowledge and ownership of knowledge. The study however examines the role of knowledge sharing during the joint venture change while the current study considered the knowledge sharing due to merger of CBA and NIC.

Zelenkov (2018) assessed on the knowledge management role in change readiness in Russian organizations. The target population was 103 state owned organizations in Russia. The hypothesis was also tested using the SEM. The outcome from the research showed that

knowledge management had a crucial effect on change readiness among the Russian organizations. Further the outcome indicated that knowledge management helped in enhancing the effectiveness of organizations in Russia. The research was nevertheless conducted in Russia while the present research was conducted in Kenya. Secondly the hypothesis was tested using the SEM model while the current study used regression analysis in determining the nexus between knowledge sharing and organizational performance. Lastly knowledge was assessed from the dimension of how it can be managed during the change process. The current study focused on knowledge sharing and how it influences the performance of an organization.

Alatailat, Elci, Abubakar, and Elrehail (2019) examined the connection between organizational performance and knowledge management. The knowledge management was examined from the basis of collaboration of the organizational members, IT support and learning. A regression analysis was done and the outcome revealed that collaboration of organizational members, IT support and learning have an impact on the performance of an organization. While the research provided helpful insights to the current study, the indicators used are different. The current study examined knowledge sharing during the change process on the basis of work methods, new technology, competitive conditions, operations as well as the development programs.

Afsar, Masood and Umrani (2019) sought to find out the importance of knowledge sharing on the relationship between change in leadership and innovations within the hotel industry in Pakistan. In the collection of data, cross-sectional and quantitative approaches were utilized. The study targeted 126 supervisors as well as 325 subordinates. The outcome from the study pointed out that knowledge sharing was significant in moderating the relationship between the leadership change or transformed leadership and innovative work behavior in the hotel industry. The study recommends therefore that any change in leadership must be transformational and should be guided by an extensive knowledge sharing at all organizational levels. The research was nevertheless done in Pakistan and focused mainly on the hotel industry whose industry settings is distinct from the banking industry studied. Further knowledge sharing was examined from the dimension of its moderating role in organizational leadership transformation and innovation while the current study examined knowledge sharing as an element of change management practice and how it influences the organizational accomplishment of Kenyan commercial banks.

2.4. Summary of Research Gaps

The synopsis is as presented in the table below.

Table 2.1: Literature Review Summary and Research Gaps

Writer	Title	Finding	Research Gap from previous study	Present study's focus
Sverke, Hellgren, Goransson & Ohrming (2009)	How the participation of employees helps in the execution of the organizational change in the Swedish hospitals	Participation of the employees influenced the organizational change.	Organizational change was studied as a dependent variable	Organizational performance is dependent variable
Muema (2012)	Nexus between the involvement of the employees and their cynicism about the changes at the Nairobi City Council	There was a correlation between employee involvement and cynicism about the changes at the council	Does not create the association between the involvement of the employees and the organizational performance	Established the linkage between the participation of the employees and the organizational performance
Nielsen & Randall (2012)	Significance of ensuring the employees'	Employee participation in the planning and execution stage can help	Done in Denmark. Further it does not analyze the link between	Done in Kenya. It also analyses the link between employee

	participation in organization's change process	in making sure that the change takes place in an organization	organizational performance and employee participation	participation and organizational performance
Beijer&Gruen (2016)	Engagement of employees during a change in an organization in the insurance companies in Sweden	Most employees felt that they were not involved in the process of change and as such their contribution was minimal	Done in Sweden. Further it does not analyze the link between employee participation and organizational performance	Done in Kenya. It also analyses the link between employee participation and organizational performance
Schuster (2016)	How planning helps in ensuring a successful organizational change	Positive correlation between planning and organizational change.	Did not establish the connection between planning and organizational performance in the midst of change process	Established the correlation between planning and organizational performance in the midst of change process
Abdi & Rathmaya (2017)	Management of employees and promotion of internal communication during change process.	During the change process, communication is crucial	Role of communication in organizational performance was not assessed	Assessed the part played by communication in organizational performance.

Ameen, Almulla, Ghosh Al-shibami And Maram (2018)	Influence of sharing knowledge on the management of organizational change among the oil companies in Abu Dhabi	Positive impact of knowledge sharing on the management of organizational change	SEM Model used in analysis. It also does not analyze organizational performance using financial metrics	Used regression model. Also uses financial metrics in analyzing organizational performance
Butali& Njoroge (2018)	Nexus between the participation of the employees and organizational performance of Kenyan state corporations	Organizational performance was certainly influenced by participation of the employees	Concentrated on state corporations. The study does not examine other change management practices like communication and knowledge sharing.	Focused on the Kenyan banking sector. The study examined other change management practices like communication and knowledge sharing.
Eaves, Kumar, White & Loonam (2018)	Pivotal role of sharing of knowledge on information technology in success during joint venture	Knowledge sharing helps in success of joint venture change	Examined the joint venture change	Examined change during merger of NIC and CBA to form NCBA Bank.
Micu & Necula (2018)	Nexus between organizational communication	Communication is very significant in	Done within the European context	Done in Kenya focusing on banks. Also

	and management of change among the European organizations	the management of change and in influencing its success	focusing on public sector. Also ignores other change management practices like employee participation and knowledge sharing	examines other change management practices like employee participation and knowledge sharing
Rosenbaum, More & Steane (2018)	Management of the planned organizational change from the basis of the Lewin's model	Planning is fundamental in organizational change	Did not examine how the planning for changes will help in the improvement of the organizational performance	Examined how the planning for changes will help in the improvement of the organizational performance
Syahmi, <i>et.,al</i> (2018)	Role of dialogic communication on the successful organizational change	Dialogic communication played an important part in ensuring the realization of an organizational change	Focused on the public sector whose contextual setting is different from that of the banks	Focused on the banking sector and examined various change practices besides communication
Zelenkov (2018)	Knowledge management and change	Positive linkage between knowledge	Used the SEM Model	Regression analysis was

	readiness among Russian organizations	management and change readiness		used in the analysis.
Afsar, Masood & Umrani (2019)	Role of knowledge sharing on the relationship between change in leadership and innovations within the hotel industry in Pakistan	Knowledge sharing was significant in moderating the relationship between the leadership change or transformed leadership and innovative work behavior	Done in Pakistan and focused on hotel sector. It mainly focused on role of leadership but ignores other aspects like employee participation	Done in Kenya focusing on the banking sector. Covers various aspects of change management including communication, employee participation and planning
Abubakar, Elrehail, Alataitat & Elci (2019)	Organizational performance & Knowledge management	Positive correlation concerning organizational performance and knowledge management	Focused on knowledge management	Focused on knowledge sharing as a change management practice.
Haqq & Natsir (2019)	Components of readiness to change	Communication of change influence attitudes towards change readiness and efficiency of change	Does not give the specific aspects of communication that needs to be made in relation to change	Examined communication as a change management practice with key components being;

				communication of, vision, benefits of change, values etc
Linjuan, Yue & Liu (2020)	How staff trust and care for change is influenced by executive leadership dialogue	Communication in the change process significantly and positively influences the trust and support from the employees during the organizational change process	Did not evaluate the link between communication as a tool for executing organizational change and the organizational performance	Evaluated the link between communication as a tool for executing organizational change and the organizational performance

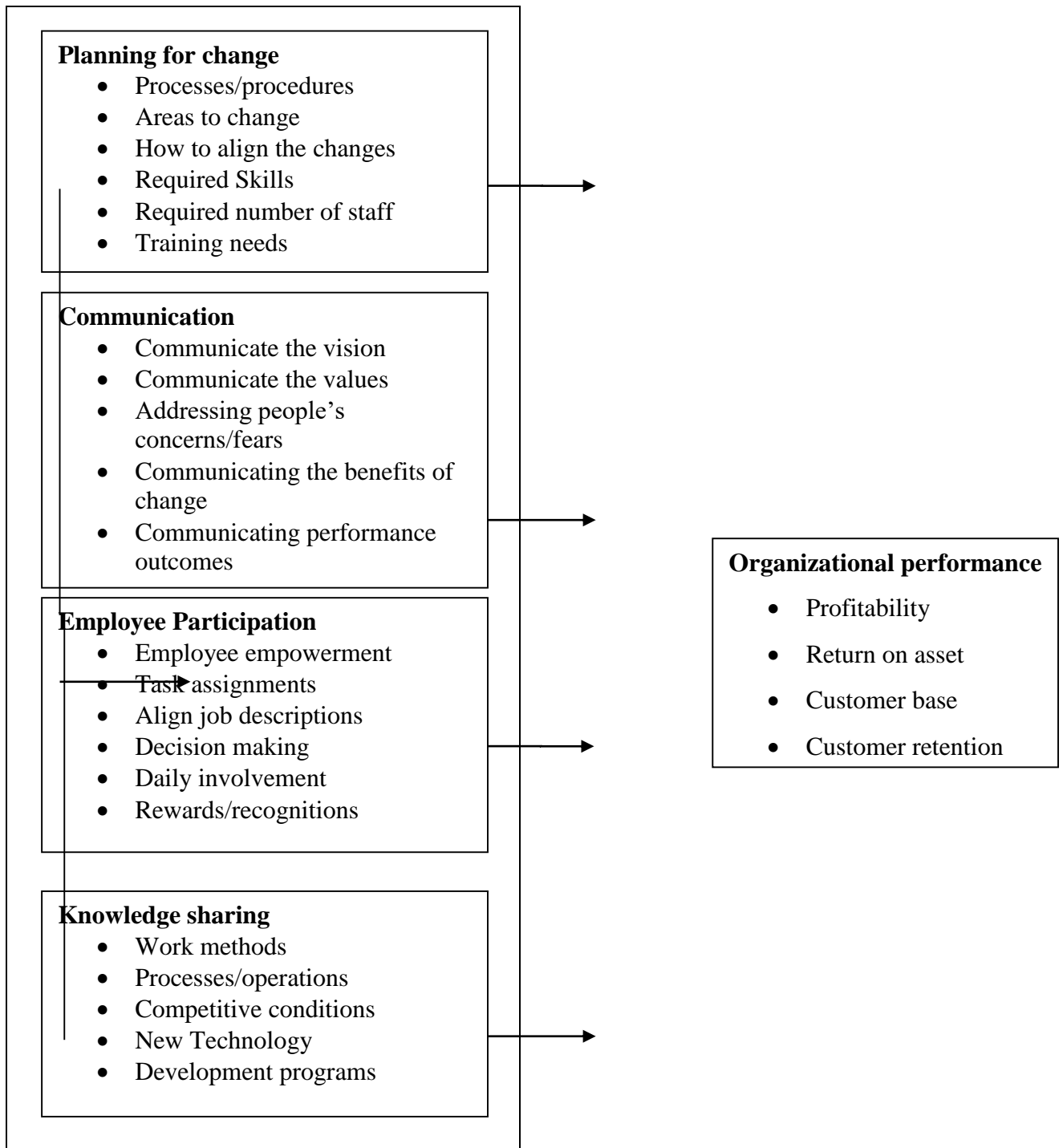
Source: Literature Reviewed (2022).

2.5. Conceptual framework

The independent factor is change management practices composed of planning for change, communication of the changes, participation of employees and knowledge sharing. The key indicators for planning for change are: processes, areas to align and how to align, required skills, staff requirements and training needs. The key indicators of communication are; communication of the vision, addressing people's concerns and fears, communicating the benefits of change, communicating the values and the performance outcomes. Employee participation was examined on the basis of empowerment, task assignments, job descriptions, decision making, rewards and daily assignments. Knowledge sharing focused on work methods, competitive conditions, processes, new technology and development programs. The dependent factor is the organizational performance which was determined on the basis of the profitability, return on assets, customer base and retention of the NCBA Bank in Kenya.

Independent variable

Dependent Variable



Source: Researcher (2023)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

This section outlines a review of the study's research methodology. Specifically, it discusses the design employed in the study, sample size, data collection procedures and instruments, the population, data investigation and moral principles to be adhered to within the confines of the entire research.

3.2. Research Design

The study used a descriptive survey design, which is a type of research methodology that aims to identify, clarify, or characterize what is there and how it works (Kothari, 2014). Schindler and Cooper (2003) describe a descriptive research design as a systematic approach involving descriptive data collection on the population's characteristics, current circumstances and requirements. It assists in exploring and describing the various aspects of the subject matter.

In the current study, it helped in describing the various aspects of the change management practices at NCBA Bank Kenya and how they relate to the organizational performance. The areas included planning for change, communication, the participation of the employees as well as the knowledge sharing on various aspects of change. All these aspects were described within the context of change management practices and how organizational performance can be influenced.

3.3 Target Population

Bryman (2012) stated that the total number of elements through which a sample is selected is referred to as a population. The target population was 856 employees drawn from the NCBA head office and 35 Branches within Nairobi City County (Appendix I). Since Nairobi City County has the largest concentration of branches, employees, and departmental operations, the NCBA branches there were chosen to provide a more thorough and varied source of information about performance and change management procedures. The targeted respondents included senior leadership, middle management, and frontline staff who had adequate information on the strategies of the company including the change management practices that were used during the merger between the former NIC Bank and CBA Bank. The management

was drawn from various departments within the bank including; Retail Banking Department, Credit Department, Operations Department, Human Resource Department, Corporate Banking, Sales and Marketing Department, Finance Department, ICT Department, Risk Department, and Internal Audit Department. The target population of this study was therefore 856 distributed as displayed below.

Table 3.1: Target population

Department	Frequency	Percentage (%)
Credit Risk Management Department	71	8.3
Operations Department	80	9.3
Marketing Department	15	1.8
Finance Department	37	4.3
ICT Department	78	9.1
Customer Experience Department	124	14.5
Internal Audit Department	18	2.1
Retail Banking	181	21.1
Human Resource department	21	2.5
Corporate banking	91	10.6
Digital business	140	16.4
TOTAL	856	100.0

Source: NCBA Bank (2023).

3.4: Sample Size and Sampling Technique

As defined by Kothari (2014), a sample is a selected representation of the entire population in a study. Given that a population in itself can be very large to study in its entirety, a sample serve to represent the entire population and through it inferences that would have otherwise been made had the entire populace been studied can still be made (Thompson, 2012). In the current study a stratified random sampling was utilized where each stratum (departments) were represented. Mugenda and Mugenda (2013) specified that a sample size of 30% of populace is enough to carry out a study. If the populace is relatively large, the sample size of 10 percent is

substantial. Given that the population in the current study was relatively small, 30 percent threshold was used hence the 257 respondents as presented below.

Table 3.2: Number of respondents

Population Targeted	Frequency	Percentage (%)	Size of the sample (30%)
Credit Risk Management Department	71	8.3	21
Operations Department	80	9.3	24
Marketing Department	15	1.8	5
Finance Department	37	4.3	11
ICT Department	78	9.1	23
Customer Experience Department	124	14.5	37
Internal Audit Department	18	2.1	5
Retail Banking	181	21.1	54
Human Resource department	21	2.5	6
Corporate banking	91	10.6	27
Digital business	140	16.4	42
TOTAL	856	100.0	257

Source: NCBA Bank (2023).

3.5 Data Collection Instruments and Procedure

Both primary and secondary data were used in the research. Questionnaires were the main tool for collecting primary data. Close-ended and open-ended questionnaires were used and were administered to the participants through research assistants. To determine whether the informants agreed or disagreed with the statements presented to them on a range of topics pertaining to organizational performance and change management procedures at NCBA Bank, a 5-point Likert scale was employed. Six sections made up the questionnaires. The respondent's demographic characteristics were displayed in Section A. There were statements on change planning in Section B. Statements on communication as a change management strategy were added in Section C. Claims on employee participation were included in Section

D. Statements on knowledge sharing as a change management technique were discussed in Section E, whereas statements on organizational performance were shown in Section F.

By reviewing documents, secondary data was gathered in addition to the primary data. Document review involved studying existing documents such as performance ratings, marketing materials, newspapers, articles, statistical publications, newsletters, minutes of meetings, and proposals (Ahmed, 2010). Document review is mainly used in qualitative research and helps in gathering background information and determining whether the program implementation is in line with the program plans (O’Leary, 2014). It assists in answering the “how” and “what” questions. In the current study, documentary reviews were used to understand the challenges within NCBA Bank that were occasioned by the change management practices instigated by the merger. Information related to employees and customers was also reviewed in relation to the changes within the organization.

3.6: Pilot Study

Before a comprehensive collection of data was done, a pilot study was administered to head office staff with an intention of testing the research instrument (Dikko, 2016). The pilot study was aimed at comprehending the effectiveness of the instrument in collecting the required information as well as getting the general attitude of the participants. The pilot study also formed the basis for carrying out a validity and reliability instrument test. The essence of the pilot study was to ensure that the instrument to be presented in the ultimate collection of data was devoid of errors and contained the right questions. In the current study, 26 respondents were considered for the pilot study. Mugenda and Mugenda (2003) indicated that a threshold of 10 percent size of the sample is enough for the pilot test; hence, since the size of the sample was 257, the respondents were 26. Nairobi City County's chosen NCBA branches that were excluded from the final sample, however, they constituted the sites of the pilot project. A combination of supervisors and operational personnel were among the respondents; they were specifically chosen for their readiness to offer input on the study tool and their accessibility. The respondents considered in the pilot test were not involved in the ultimate collection of data.

3.7: Validity and Reliability Test

Testing for validity and reliability was done prior to the research tool could be trusted to gather the necessary data.

3.7.1: Validity Test

Validity test was aimed at evaluating the accuracy of the research instrument to be used (Kothari & Guarav, 2014). The research instrument used in this study was the questionnaire; therefore, the accuracy of the questionnaire to provide the required information was ascertained. Both concept validity and content validity were used to assess the reliability.

By having experts assess the questionnaire, content validity was proven. The tool was examined by supervisors and academic specialists to make sure all of the items were pertinent, thorough, and indicative of the ideas being studied. Content validity is principally aimed at testing the representativeness of the sample (Bryman, 2012). In addition, content validity ensures that the knowledge and skills covered are substantially representative of the wider spectrum of knowledge and skills.

The questionnaire's items were compared to conceptual concepts drawn from both theoretical and empirical literature to assess their validity. This ensured that the items measured what they were intended to measure and were consistent with the operational definitions of the study variables. To increase transparency and conceptual alignment, the instrument was subsequently improved in response to input.

3.7.2: Reliability Test

The test for reliability evaluates if a research instrument can offer the same outcome under repeated tests (Kothari & Guarav, 2014). This means that the test for reliability helps in ascertaining the consistency of a research instrument. An instrument that produces inconsistent results tends to be misleading. Under the current study, Cronbach's alpha coefficient was adopted in carrying out the test.

As put forth by Meeker and Escobar (2014), the reliability range under the Cronbach's coefficient is 0 to 1. A research instrument is deemed reliable if it is close to 1. As outlined by Field (2009), the Cronbach's coefficient should not be less than 0.70 for the test to be considered reliable.

Table 3.3: Cronbach's Alpha Reliability Coefficients for Study Variables

Factor	Cronbach's Alpha	Interpretation
Planning for Change	0.744	Reliable
Communication of Change	0.772	Reliable
Employee Participation	0.754	Reliable
Knowledge Sharing	0.703	Reliable
Overall Reliability	0.743	Reliable

From the results in Table 3.3, the overall Cronbach's alpha was 0.743, which is higher than the minimum acceptable threshold of 0.70. This indicates that the research instrument used in the study was reliable and consistent in measuring the intended variables.

3.8: Data Analysis and Presentation

Data analysis is the process of organizing the data gathered in a manner that can be easily interpreted and comprehended (Yin, 2008). A correlation analysis was done. This was done using the Pearson's correlation. This helped in determining the correlation between a pair of variables. Further the descriptive statistics was also determined which indicated the simple features of the data that was used. This entailed determining the mean, percentages and standard deviations of the collected data.

The link between the variables was observed using regression analysis. SPSS version 24 was used. The ANOVA, summary of model, coefficient of determination R^2 and the regression coefficients was determined. The equation that was used in the study was;

$$Y = \beta_0 + \beta_1 PC_1 + \beta_2 CC_2 + \beta_3 EP_3 + \beta_4 KS_4 + \varepsilon$$

Where; Y=dependent variable (Organizational performance of NCBA Bank, Kenya.)

β_0 is a constant, and β_1 , β_2 , β_3 , and β_4 are coefficients

PC_1 , CC_2 , EP_3 and KS_4 represent the predictor variables hence:

PC_1 = Planning for change

CC_2 = Communication of changes

EP_3 =Employee Participation

KS₄ = Knowledge sharing

ε = the error term

3.9: Ethical Standards

Ethical considerations are the ethical rules and norms that a researcher is expected to uphold at all steps of the research process. The researcher in the first step obtained internal approval from Kenyatta University, which issued a letter of approval. The second step involved obtaining a research permit from NACOSTI to enable the researcher to go for data collection. Another ethical standard that the researcher upheld was ensuring that the sources of all the information used in the research were acknowledged. For instance, authors of the preceding studies were duly acknowledged and referenced. During the collection of data, the researcher sought consent from NCBA Bank Human Resource Department and the respective NCBA Bank branches to allow the researcher to distribute the questionnaires to their staff, during which an assurance was given to them that all the information provided was meant entirely for academic purposes.

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

4.1. Introduction

The chapter is a presentation of the research findings as per the analyzed data. It comprises of the rate of response from the questionnaires issued, inferential analysis, demographic information of the respondents, descriptive analysis, as well as discussion of the findings.

4.2. Rate of Response

A total of 257 questionnaires were issued to respondents at NCBA bank drawn from various departments and at different levels of management. 203 of them were duly completed and given back. Figure 4.1 hence presents the rate of response.

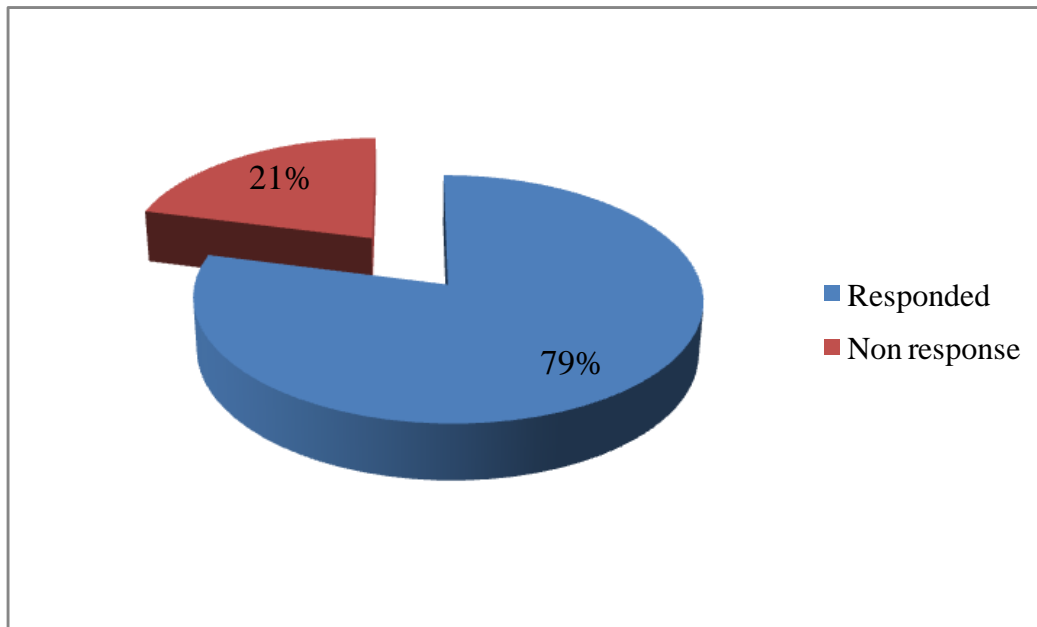


Figure 4.1: Rate of Response

From the findings in the above figure, it is apparent that the response rate was 79 percent while the non-response was 21 percent. Based on Mugenda and Mugenda (2013), if the completion rate is more than sixty percent, then the data is deemed sufficient for carrying out an analysis. Therefore, from the finding, the return rate was acceptable to carry out analysis of data.

4.3. Demographic Details of Participants

Various demographic details of the respondents were looked at in this research. This included; gender, management level, years worked, and education level. It was essential to comprehend

these traits in order to guarantee that replies were obtained from a broad spectrum of individuals with various backgrounds, enhancing the validity and applicability of the results. Understanding how various employee groups view and react to change management techniques is possible thanks to each demographic feature.

4.3.1. Gender of the Participants

The participants' gender was analyzed based on male and female and figure 4.2 presents the findings.

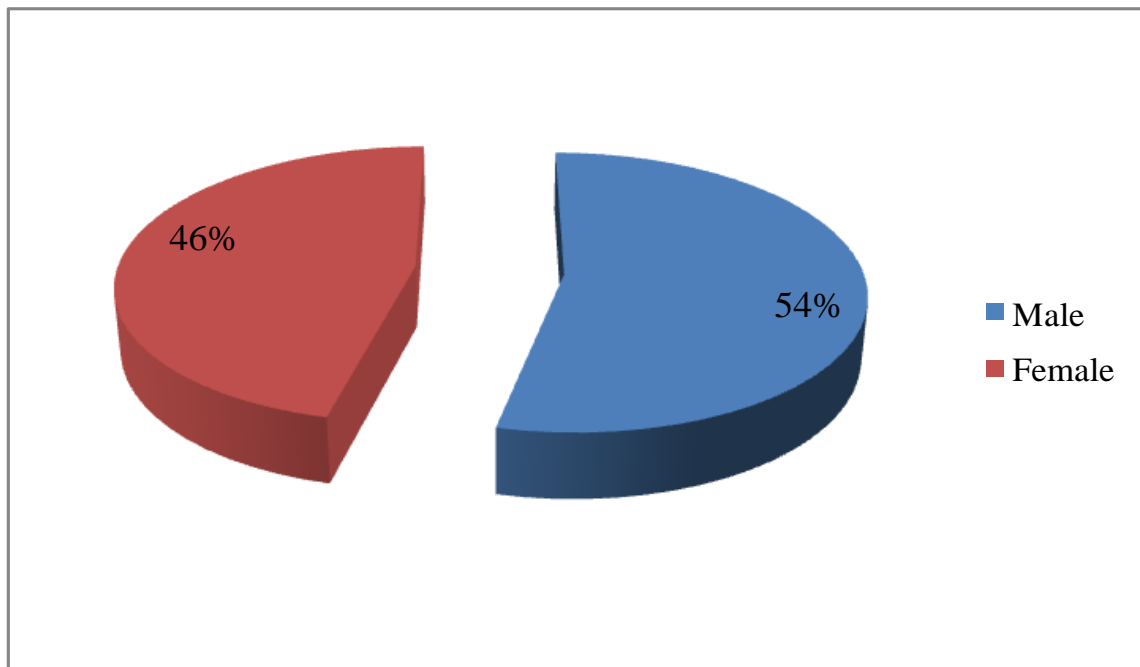


Figure 4.2: Participant's Gender

From the outcomes in figure 4.2, it is clear that 54% of participants were male while 46% of the participants were female. Based on the findings it is clear that both sexes were adequately involved. To prevent gender bias in the data and to enable a comprehensive knowledge concerning how both male and female employees perceive organizational performance and change management, this gender balancing was crucial. The gender representation of NCBA Bank at different operational levels is also reflected.

4.3.2. Management Level of Participants

The participants' level of management was analyzed based on four categories; top level, middle level, supervision and operations. Table 4.1 shows the outcome.

Table 4.1: Management Level of Participants

Management level	Frequency	Percentage	Cumulative percentage
Top	11	5	5
Middle	32	16	21
Supervisors	66	33	54
Operations	94	46	100
Total	203	100	

Source: Research Data (2023).

From the findings presented above, five percent respondents were in the top management, sixteen percent in the middle level management, thirty-three percent in the supervision level and forty-six percent in the operations. From these findings it can be inferred that all management levels were represented in the study which was important to this study since all the levels play a role in change management. The top-level management are in charge of formulating change management policies and practices, the middle and supervisory levels are in charge of ensuring the implementation of the change management practices while the operations staff oversee actual implementation. The information provided is guaranteed to represent the opinions of people who create, supervise, and carry out change projects when all management levels are included, which makes the conclusions more thorough and useful.

4.3.3. Educational Background of the Participants

Respondents' educational attainment was evaluated based on three categories; college, undergraduate and masters. The outcome is shown below.

Table 4.2: Education Level of Participants

Education	Frequency	Percentage	Cumulative percentage
College	23	11	11
Undergraduate	133	66	77
Masters	47	23	100
Total	203	100	

Source: Research data (2023).

The outcome displayed above demonstrates that 11 percent of the participants had college certificates; sixty-six percent had degrees while twenty-three percent were holders of master's degree. It is apparent that majority of the study participants were degree holders and significant number were holders of master's degree which implies that they are educated. The level of education is significant in a research as it indicates a participant's ability to give accurate and informed responses to the research questions (Gilham, 2013). When it comes to analyzing organizational performance, education level also predicts how participants will evaluate change, take in training throughout organizational changes, and participate in strategy execution.

4.3.4. Years of Experience of the Participants

The respondent's experience was analyzed based on three categories; zero to nine, ten to nineteen and above twenty years. The outcome is displayed as follows;

Table 4.3: Participant's length of service

Period worked	Occurrence	Percentage	Cumulative percentage
0-9 years	88	43	43
10-19 years	66	33	76
More than 20 years	49	24	100
Total	203	100	

Source: Research Data (2023)

The results presented above reveal that most of the study participants have worked for the bank for between 0-9 years as indicated by 43 percent. Those who had worked for between 10-19 years were 33 percent while those who had worked for more than 20 years were 24 percent. To get a thorough grasp of the change management process, it was essential to include participants with different service durations. While younger staff members can offer new viewpoints and responses to recent developments, more seasoned employees may contribute past experiences and background to organizational changes. A more sophisticated understanding of how experience influences opinions about organizational effectiveness is supported by this equilibrium.

4.4. Descriptive Statistics

The descriptive analysis of change management strategies; planning for change, communication of change, employee participation and knowledge sharing and organizational performance are stipulated in Table 4.4 to 4.8.

4.4.1. Planning for Change

Through an emphasis on how to allocate resources, personnel preparedness, and goal alignment, this chapter outlines how NCBA Bank incorporates planning into its change management initiatives.

Table 4.4: Change Planning

Statement	Mean	Std. Deviation
The bank's processes and procedures are considered when planning for changes in the organization	4.122	0.452
There is a continuous process of identifying the areas to change to align with external changes	4.184	0.404
The planning for change incorporates aligning the changes to the overall objectives of the organization	4.031	0.408
The required skills and training needs are incorporated in any planned change in the bank	4.003	0.432

Statement	Mean	Std. Deviation
The required number of staff is identified in the change plan to ensure the successful execution of the changes	3.945	0.512
Every change plan incorporates staff trainings to equip them with skills for implementing the changes	3.985	0.532
The plans for change influences organizational performance	3.875	0.625
Aggregate Scores	4.021	0.481

Source: Research Data (2023)

As per the results above, banks' processes and procedures are considered when planning for changes as indicated by the (M= 4.122 SD= 0.452). The mean of 4.122 points that majority of the participants in the study agreed that the processes and procedures are given consideration in change planning. The SD=0.452 and indicates that there were no much variations in terms of the responses given since the SD is below 1. As established by Rosenbaum, More and Steane (2018), for planned change to effectively take place there has to be an inclusion of other interrelated processes which include the group dynamics, action research as well as the analysis of the various aspects of change.

It is also clear that most of the study participants agreed that there is a continuous process of identifying the areas to change to align with external changes in the bank as indicated by the M=4.184, SD=0.404. The SD=0.404 (below 1) is an indicator that there were no much variations in terms of the answers given by the participants. As noted by Rosenbaum, More and Steane (2018), it is important when planning for change for an organization to analyze various aspects of change and this includes checking the external environment.

As per the results in Table 4.4, it is also apparent that the planning for change incorporates aligning the changes to the overall objectives of the organization (M=4.031, SD=0.408). The M=4.031 indicates that most of the participants agreed while the SD=0.408 indicates less variation in terms of the answers given by the participants. The findings are consistent with that of Khoshtaria (2018) which established that management needs to ensure that any plan for change in an organization is properly aligned to the corporate objectives and goals for the

change to be meaningful. Khoshtaria (2018) also notes that in doing so planning must be rational and objective oriented.

Majority of the participants in the research also agreed that the necessary skills and training needs are incorporated in any planned change in the bank ($M=4.003$, $SD=0.432$). The $SD=0.432$ (less than) indicates that there are less variations in terms of the answers given by the participants. It therefore implies that required skills and training needs are incorporated in planning for change at NCBA bank. As indicated by Schuster (2016), a change management plan should consider the skills to mitigate the impact of personnel changes.

Further the findings show that most of the study participants agreed that the required number of staff is identified in the change plan to ensure the successful execution of the changes. This is indicated by $M=3.945$, $SD=0.512$ which shows a majority agreed with less variation that the required number of staff is identified in the change plan to ensure the successful execution of the changes. A good change management plan should ensure that there are adequate personnel to help in change execution as noted by Schuster (2016).

The respondents were also asked if every change plan incorporates staff trainings to equip them with skills for implementing the changes ($M=3.985$, $SD=0.532$). From the findings, it is apparent that staff trainings are incorporated in change management plan. Khoshtaria (2018) identifies staff trainings as part of change management process aimed at both equipping them with necessary skills to implement the skills and winning their support for the new changes.

Finally, as indicated by $M=3.875$, $SD=0.625$, it is apparent that plans for change influences organizational performance at NCBA bank. The highest score $M=4.184$, $SD=0.404$ indicates that there is a continuous process of identifying the areas to change to align with external changes at NCBA bank; which indicates that a lot of attention is given to change processes to ensure that the bank remains competitive. The lowest scores ($M=3.875$, $SD=0.625$) shows that planning for change influences performance but subject to the implementation of other planning processes like continuous identification of areas to change which had the highest scores. The aggregate scores ($M=4.021$, $SD=0.481$) is an indicator that most of the participants agreed on various aspects of change management planning in relation to organizational performance. Hence it can be inferred that change planning has a significant influence on

organizational performance. As established through past studies like Khoshtaria (2018), Schuster (2016) and Rosenbaum, More and Steane (2018), change management planning ensures successful implementation of change processes and in turn influence the organizational performance positively.

4.4.2. Communication of Change

To lessen resistance and increase clarity, this section examines how NCBA Bank handles change communication, covering the manner in which vision, values, as well as advantages are communicated.

Table 4.5: Change Communication

Statement for communication of changes	Mean	Std. Deviation
Communication during the change process entails communicating the vision to the employees	3.959	0.535
Communication during the change process entails communicating the values to the employees	3.945	0.349
Since the merger, the concerns and fears of the staff have been addressed through communication	3.973	0.405
Communication of the changes incorporates communicating the benefits of the changes to all stakeholders to ensure the changes are accepted across departments	3.932	0.416
The performance outcomes are also communicated in the change processes to provide direction to the employees	3.959	0.386
Communication has helped in improving organizational performance of the bank	3.946	0.402
Aggregate Scores	3.958	0.444

Source; Research Data (2023)

From Table 4.5, it is evident that most participants concurred that communication during the change process entails communicating the vision to the employees. This is indicated by the results (M=3.959, SD=0.535) which indicates less variation in the responses given. It can therefore be concluded that communicating the vision is an essential part in the process of

change management. Haqq and Natsir (2019) study examined the mechanism of readiness to change with change efficacy and communication being the antecedents and found that communication of the vision not only addresses the concerns and fears of the employees but also helps in guiding them on the direction of the changes.

Further, from the outcome in Table 4.5, most of the participants acknowledged that communication during the transformation process entails communicating the values to the employees ($M=3.945$, $SD=0.349$). The results indicate that communication of values to employees is considered an essential part of the change management process at NCBA bank. As noted by Haqq and Natsir (2019) change management entails communicating the values and benefits to the employees so as to win their support in the process.

The participants were also requested to state if they agreed that since the merger, the concerns and fears of the staff have been addressed through communication. From the results ($M=3.973$, $SD=0.405$), it is apparent that since the merger, the concerns and fears of the staff have been addressed through communication. It can be inferred that communication to the employees during the change management process helps in averting their fears while winning their support. A study by Abdi and Rathmaya (2017) established that communication during the change management helps in clearing any form of misunderstanding and fears hence making the entire process to flow smoothly.

From the outcome in Table 4.5, the study participants also agreed that Communication of the changes incorporates communicating the benefits of the changes to all stakeholders to ensure the changes are accepted across departments ($M=3.932$, $SD=0.416$). This demonstrates that communicating the benefits to all stakeholders in change management was done at NCBA bank. The study by Linjuan, Yue and Liu (2020) concludes that for dissemination of information to be successful, it must be delivered in a manner that wins the employee trust so that they can support and contribute towards the organizational changes. This includes communicating the benefits to the employees.

Additionally, most of the study participants agreed that the performance outcomes are also communicated in the change processes to provide direction to the employees ($M=3.959$, $SD=0.386$). This infers that at NCBA bank, performance outcomes are well articulated

whenever there is a change management process. Micu and Necula (2018) assessed on the nexus between organizational communication and management of change among the European organizations and found that there is a nexus between change communication and performance as it helps in the entire change management process.

Finally, from the outcome, it is observable that Communication has aided in improving organizational performance of the bank ($M=3.946$, $SD=0.402$). Most of the participants based on these results agreed that there is a nexus between communication and organizational performance. The highest scores ($M=3.973$, $SD=0.405$) shows that since the merger, the concerns and fears of the staff have been addressed through communication and therefore indicates that majority of NCBA employees are encouraged by the way changes have been communicated to them. The lowest scores ($M=3.932$, $SD=0.416$) point out that whereas communication of changes incorporates communicating the benefits of the changes to all stakeholders to ensure the changes are accepted across departments there is still room for improvement with the way this has been executed so far at NCBA. The lowest score is lower than the average scores ($M=3.958$, $SD=0.444$). Looking at the average scores, it is clear that a larger part of the study participants concurred with various aspects of communication during the change management process in relation to organizational performance. Past studies have indicated that communication of change has a significant influence on organization performance. For instance, (Syahmi, *et.,al*, 2018) established a positive relationship between dialogic communication and organizational performance.

4.4.3. Employee Participation

Employee participation in the bank's transformation procedures, including task distribution, engagement, and acknowledgment, is the main topic of this section.

Table 4.6: Employee Participation

Statement for employee participation in change	Mean	Std. Deviation
Employee participation is highly factored in all the change management put in place by the bank	4.045	0.375
Employees in all departments are given task assignments in the execution of change management processes	4.002	0.323
In a bid to effectively manage the change management process the bank aligns the job description of all staff to the change objectives	4.021	0.355
There is an extensive engagement of employees in all departments on the processes of change management	4.072	0.297
The involvement of the staff in change management processes is done on daily basis	3.997	0.333
The change management processes ensure rewards and recognition to the employees in the frontline in the implementation of change	4.144	0.456
Aggregate Scores	4.047	0.356

Source: Findings (2023)

Table 4.6 elucidates that employee participation is highly factored in all the change management established by the bank (M=4.045, SD=0.375). It can therefore be deduced that most of the participants agreed that employee participation is highly factored in all the change management established by the bank. A study by Sverke, Hellgren, Goransson and Ohrming (2009) on how the participation of employees helps in the execution of the organizational change in the Swedish hospitals shows that a proactive implementation was positively correlated with employee taking part in the process of change.

Most participants in the study also agreed that staff in all departments are given task assignments in the execution of change management processes as indicated by M=4.002, SD=0.323. Looking at the outcomes, it can be inferred that task assignments are well allocated

to employees in the bank during change management processes to ensure their full participation in the process. Nielsen and Randall (2012) investigated the significance of ensuring the participation of employees in change process in an organization and found that employee participation should be done in the planning stage and participation in the implementation of the change process.

Further, in a bid to effectively manage the change management process the bank aligns the job description of all staff to the change objectives. This is indicated from the responses of the participants as shown by the results; $M=4.021$, $SD=0.355$. Most participants agreed that their job descriptions were being aligned to change objectives. Alignment of job description to change objectives, helps in making the change process successful which as stated by Butali and Njoroge (2018) aids in improving organizational performance.

The participants also indicated that there was extensive engagement of employees in all departments in the change management processes ($M=4.072$, $SD=0.297$). It can hence be inferred that employee participation is done at the departmental level. As noted by Muema (2012), a comprehensive involvement of the employees helps in significantly reducing their cynicisms about changes in an organization.

Most of the study participants also agreed that the involvement of staff in change management is done at the bank on a daily basis ($M=3.997$, $SD=0.333$). Centered on the outcome, it can be resolved that there is adequate employee participation on daily basis when it comes to change processes. Most of the studies done however do not indicate the extent of participation of employees on daily basis but establishes that employee participation in change management processes should be done at all stages right from planning to the execution. Randall and Nielsen (2012) found that it is essential to involve employees in the planning stage and in the execution stage. Finally, as shown by the results, most participants admitted that the change management processes ensure reward and recognition for the employees in the frontline in the implementation of change ($M=4.144$, $SD=0.456$). This represents the highest score in employee participation components analyzed and it can be decided that the bank ensures that their workforce is motivated to participate in change management process through a reward system.

From the lowest scores (M=4.002, SD=0.323), it can be inferred that whereas the employees in all departments are given task assignments in the execution of change management processes there is still some room for improvement for instance through proper definition of the tasks and proper execution framework. In terms of the overall scores, most participants agreed on various aspects of employee participation in change management process as shown by the average scores (M=4.047, SD=0.356). This points out the significance of employee participation in change management processes. As found out by Beijer and Gruen (2016) employee engagement is vital in change management process and failure to involve them discourages them from participating in change processes.

4.4.4. Knowledge Sharing

This component evaluates the dissemination of knowledge during change, including training and updates on labor practices, technological advancements, and competitive dynamics.

Table 4.7: Knowledge Sharing

Statement For Knowledge Sharing	Mean	Std. Deviation
Do you agree that knowledge sharing is instrumental in the execution of the change management in the bank?	4.000	0.535
The knowledge sharing in the change management process in the bank encompasses sharing of new work methods	3.985	0.629
Do you agree that there is knowledge sharing on the operations and processes during change management processes in the bank?	3.792	0.505
Knowledge sharing in the bank incorporates sharing information on competitive conditions	4.057	0.330
Knowledge sharing on new technologies is done through departmental trainings	3.987	0.437
The development programs are adequately shared during the change implementation	3.856	0.451
Aggregate Scores	3.974	0.484

Source: Research Data (2023)

From the table above, most study participants acknowledged that knowledge sharing is instrumental in the execution of change management process in the bank ($M=4.000$, $SD=0.535$). The $SD=0.535$ shows that there were less variations in terms of the responses given by the participants hence it can be inferred that knowledge sharing is instrumental in the execution of change. As found out by, Maram, Almulla, Ameen, Ghosh and Al-shibami (2018), knowledge sharing is significant in change management process as it helps in enhancing organizational performance.

The participants were asked to indicate if the knowledge sharing in the change management process in the bank encompasses sharing of new work methods to which most of them agreed based on the results ($M=3.985$, $SD=0.629$). This implies that new work methods are shared in change management process. A study by Abubakar, Elrehail, Alatailat and Elci (2019) on knowledge management and organizational performance indicated that some of the ways in which organizational members can collaborate is through IT support and learning which helps in faster understanding of the change processes. This in turn helps in improving organizational performance.

Most participants also agreed that there is knowledge sharing on the operation and processes during the change management process in the bank ($M=3.792$, $SD=0.505$). From this finding, it can be inferred that knowledge sharing on the operation and processes during the process of change management is done in the bank. Afsar, Masood and Umrani (2019) observes that knowledge sharing helps in fostering innovations during the change management processes hence by sharing knowledge the operations in the bank can be improved.

As shown by the outcome, knowledge sharing also entails sharing information on competitive conditions ($M=4.057$, $SD=0.330$). Most participants agreed that in the bank, sharing of knowledge incorporates information on competitive conditions. The $SD=0.330$, shows that there were less variations in terms of the responses given. Sharing information on competition for instance helps in adjusting the changes in such a manner that the bank can withstand competition.

Majority of the participants further agreed that knowledge sharing on new technologies is done through departmental trainings ($M=3.987$, $SD=0.437$). It can be inferred therefore that

departmental trainings are considered a crucial component of knowledge sharing during the change management process in the bank. A study by Eaves, Kumar, White and Loonam (2018) evaluated on how sharing of knowledge on information technology helps in ensuring success during a joint venture change among European organizations and found that knowledge sharing significantly influence the change process. Finally based on the findings in Table 4.7, the participants agreed that development programs are adequately shared during the change implementation ($M=3.856$, $SD=0.451$). The results reveal that there is adequate sharing of programs at NCBA bank during execution of change management processes.

The highest scores ($M=4.057$, $SD=0.330$) indicate that there is substantial knowledge sharing in the bank on competitive conditions with a view to implanting appropriate strategies. On the other hand, the lowest scores ($M=3.792$, $SD=0.505$) shows that while there is knowledge sharing on the operation and processes during the change management process in the bank, more needs to be done through properly acquainting the employees on the relevant processes and operations during the change process. From the aggregate scores, $M=3.974$, $SD=0.484$ which shows that most respondents were in agreement with various aspects of knowledge sharing in relation to organizational performance of NCBA bank. Past studies show a correlation between knowledge sharing and organizational performance. For instance, a study by Zelenkov (2018) shows that knowledge plays a major role in change readiness. Al-shibami, Ghosh, Maram, Ameen and Almulla (2018) found a correlation between knowledge sharing and organizational performance.

4.4.5. Organizational Performance

This section assesses how performance metrics including profitability, resources, and customer base have been impacted by the bank's change management tactics.

Table 4.8: Organizational Performance

Statement	Mean	S.D
With the adoption of the change management practices by the bank sales revenues have increased leading to increased profitability.	4.233	0.468
The implementation of the change management practices has helped in expanding the assets levels and ultimately returns on assets	4.099	0.448
Due to the implementation of the change management practices, there has been an expansion in the customer base	4.106	0.462
With the implementation of change management practices, customer retention has been enhanced	3.934	0.522
Aggregate Scores	4.093	0.475

Source: Findings (2023)

The outcome demonstrates that the participants concurred that with the adoption of the change management by the bank sales revenues have increased leading to increased profitability. This is shown by M=4.233 and SD= 0.468. This points out that a good change management practice can help in improving organizational performance in terms of profitability. The participants also agreed that the implementation of the change management has helped in expanding the assets levels and ultimately returns on assets based on the M=4.099 and SD= 0.448. This shows that at NCBA bank the assets base increased as two banks merged bringing their assets together. It also indicates that performance as measured by assets had increased due to the change process. A review by Hansen, Ishengoma and Upadhyaya (2018) showed that one of the drivers of organizational performance among the SMEs in Africa was the change management processes.

Based on the documentary reviews, the performance of NCBA was also analyzed. Table 4.9 shows the performance prior to the merger (2018) during the merger (2019) and after the merger (2020 to 2023).

Table 4.9: Performance of NCBA from 2019 to 2023

Performance indicator	2018	2019	2020	2021	2022	2023
Net income (Kshs. Billions)	5.0	7.841	5.161	10.2	13.8	21.5
ROA (Percentage)	2.04%	1.58%	1.05%	1.73%	2.23%	2.93%
Total Assets (Kshs. Billions)	245	495	491	591	619	734

Source: NCBA Bank Financials (2019-2023)

A review of the financial reports shows that the profitability (net income) of NCBA in 2018 before the merger was Kshs. 5.0 billion only. In 2019 as the merger was being finalized, the net income increased to Kshs. 7.841 billion, but declined to Kshs. 5.161 billion in 2020. In 2021 the profitability more than doubled to Kshs. 10.2 billion, Kshs 13.8 billion in 2022 and further to Kshs 21.5 billion in 2023. This indicates that immediately after the merger there was decline in profits in 2020, which was occasioned by new changes and complaints at the initial stage. A review of the ROA shows that in 2019 and 2020 the ROA was 1.58% and 1.05% respectively which again was a decline. 2021 and 2022 saw a bounce back in ROA to 1.73% and 2.23% respectively with a further increase in 2023 to 2.93%. Hence there has been a three times increase in profitability since the changes took effect.

A review of the financial statements of NCBA bank also shows that since the merger and changes that came with the merger, there has been an increase in profitability. As at 2018 before the merger, the net income was Kshs. 5.0 billion only. However, in 2019 after the merger was finalized, the Net income increased to Kshs. 7.8 billion. The net income further increased to Kshs 10.2 billion in 2021, Kshs. 13.8 billion in 2022 and Ksh 21.5 billion in 2023. Hence there has been an approximately three times increase in profitability since the changes took effect.

With regard to the total assets, the statement of financial position of NCBA indicated that as at 2018 before the changes, the total assets were worth Kshs. 245 billion. However, in 2019 after the merger was finalized, the total assets increased to Kshs. 495 billion. The total assets further increases to Kshs 591 billion in 2021, Kshs. 619 billion in 2022 and Kshs. 734 billion in 2023. Hence there has been an approximately three times increase in total assets since the changes took effect.

A review of the customer base of the bank also revealed that the customer base currently stands at over 60 million customers from 50.1 million after merger and this includes the corporate customers across East African region. This is an indication of the positive effect that the changes had on the organization since they were fully implemented.

4.5. Correlation Analysis

The correlation test was done using Pearson’s correlation as tabled below.

Table 4.10: Outcome of the Correlation Analysis

		Organizational performance	Change planning	Change communication	Employee participation	Knowledge Sharing
Organizational performance	Pearson Correlation Sig. (2- tailed)	1				
Change planning	Pearson Correlation Sig. (2- tailed)	.515 .000	1			
Change communication	Pearson Correlation Sig. (2- tailed)	.399 .000	.156 .073	1		
Employee participation	Pearson Correlation Sig. (2- tailed)	.330 .000	-.005 .959	-.134 .126	1	
Knowledge Sharing	Pearson Correlation Sig. (2- tailed)	.418** .000	.054 .538	.262** .002	-.091 .298	1

Source: Research Data (2023)

These results showed that organizational performance was positively and significantly correlated with all four change management practices: planning ($r = .515$, $p < 0.01$), communication ($r = .399$, $p < 0.01$), employee participation ($r = .330$, $p < 0.01$), and knowledge sharing ($r = .418$, $p < 0.01$). Non-significant correlations were found, nevertheless, between employee participation and knowledge sharing ($r = -.091$, $p > 0.05$), planning and employee participation ($r = -.005$, $p > 0.05$), and communication and employee participation ($r = -.134$,

$p > 0.05$). Communication and sharing of knowledge were found to be positively and significantly correlated ($r = .262$, $p < 0.01$).

Greene (2008) observes that if the correlation coefficient is greater than 0.8, it shows a strong correlation among a pair of variables and this shows the failure to get accurate and independent information from the variables. According to Sachs (2009), a strong correlation between a pair of variables occurs where the correlation coefficient (R) is -0.8 or 0.8 demonstrating a Coefficient of determination (R^2) of 64 percent. A strongly correlated pair of variable is a suggestion of the collinearity problem. From the results in the table above, none of the pair of variables had a correlation coefficient of $+0.8$ or -0.8 therefore it can be inferred that there was no collinearity problem.

However, from the results in Table 4.9, there is an insignificant negative correlation between employee participation and change planning ($r = -.005$, $p > 0.05$). This could be explained by the fact that at the initial stages of merger, there is usually confusion on the clarity of purpose and employees do not have a clear understanding on the process which makes them reluctant to participate in change management process. There is negative relationship between knowledge sharing and change planning ($r = 0.054$, $p > 0.05$) which is non-significant. The results further show a negative non-significant correlation between employee participation and change communication ($r = -.134$, $p > 0.05$). Knowledge sharing and employee participation also have a negative non-significant correlation ($r = 0.091$, $p > 0.05$). This is due to the nature of change being studied i.e. merger. During the merger process, employees were not willing to share knowledge with each other due to fear of losing jobs. During mergers, there are issues with duplicated roles which leads to layoffs hence the lack of knowledge sharing.

Finally, there is an important positive correlation between knowledge sharing and change communication ($r = 0.262$, $p < 0.05$). This implies that as knowledge sharing increases, communication processes also increase. This comes about as employees get to understand more on the various aspects of changes and the implementation therefore and therefore can communicate among each other.

4.6. Inferential Statistics Analysis

The inferential statistics utilized to examine the connection between NCBA Bank's organizational performance and change management procedures are shown in this part. Organizational performance served as the dependent variable in this multiple linear regression analysis, while change planning, change communication, employee participation, and knowledge sharing served as the independent factors.

4.6.1. Summary of the Model

The summary is illustrated as follows.

Table 4.11: Summary of the results

Prototype	R	R Square	Adjusted R Square	Sig. F Change
1	.934 ^a	.872	.831	.000

a. Predictors: (Constant), Knowledge Sharing, Employee Participation, Change Communication, Change Planning

Source: Findings (2023)

As illustrated above, .934 is the correlation coefficient(R) which indicates that organizational performance and change management practices have a strong positive correlation. Coefficient of determination (R-square) is .872 which represents 87.2 percent. With adjustment the R-square becomes .831 which is translated to 83.1 percent. Kothari (2014) explains that the adjusted R-square is ideal for interpreting the percentage changes in dependent variable due to variations in independent variables since it does not over-estimate the variations. Hence from the outcome in Table 4.11, it can be inferred that 83.1 percent of the changes in organizational performance at NCBA bank are explained by variations in change management practices (planning for change, communication of changes, employee participation and knowledge sharing).

4.6.2. Analysis of Variance (ANOVA)

The ANOVA model is as presented below;

Table 4.12: Results of Variation analysis

Prototype	Summation of Squares	df	Mean Square	F	Sig.
1 Regression	22.861	4	5.715	21.336	.000 ^b
Residual	34.018	199	.268		
Total	56.879	203			

a. Dependent Factor: Organizational Performance

b. Predictors: Knowledge Sharing, Change Communication, Participation of employees, Change Planning

Source: Findings (2023)

The findings shown in Table 4.12 show that the p-value is .000 suggesting that the model was acceptable for evaluation in establishing the link between the NCBA bank's organizational performance and management change.

4.6.3. Regression Coefficient

The regression coefficients are presented in Table 5.13.

Table 4.13: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	-2.194	.843		-2.604	.010	-3.864	-.525
Change planning	1.119	.173	.505	6.452	.000	.776	1.462
Change communication	.698	.164	.316	4.261	.000	.374	1.022
Employee participation	.269	.104	.181	2.597	.011	.064	.475
Knowledge sharing	.276	.108	.182	2.559	.012	.062	.489

a. Dependent Factor: Organizational Performance

Source: Findings (2023)

From the findings in above table, the model becomes;

$$Y = -2.194 + 1.119PC_1 + 0.698CC_2 + 0.269EP_3 + 0.276KS_4 + \varepsilon$$

Where; Y=dependent variable (Organizational performance of NCBA Bank, Kenya.)

PC₁, CC₂, EP₃ and KS₄ represent the predictor variables hence:

PC₁= Planning for change

CC₂= Communication of changes

EP₃ =Employee Participation

KS₄ =Knowledge sharing

ε = the error term

As per the results in Table 4.13, without the change management practices, the organizational performance of NCBA bank declines significantly by $r=2.194$, $p<0.05$ times. The results; $r=2.194$, $p<.05$) shows that the decline of organizational performance due to absence of change management practices is significant. This indicates that change management practices influence organizational performance. As established by Hansen, Ishengoma and Upadhyaya (2018) showed that one of the drivers of organizational performance among the SMEs in Africa was the change management processes.

The impact of planning for change on organizational performance of NCBA Bank Plc was the first to be observed. As per the outcome in Table 4.13, it is clear that a unit improvement in change planning causes a notable improvement in organizational performance of NCBA bank ($r=1.119$, $p<0.05$). A review by Khoshtaria (2018) on how organizational performance is motivated by planning discovered that planning for change significantly influences the achievement of organizational objectives. A study by Schuster (2016) on how planning helps in ensuring a successful organizational change found out that planning ensures successful organizational change by aligning the personnel and tasks towards the performance outcomes. Rosenbaum, More and Steane (2018) also established a positive correlation between change planning and organizational performance. It can therefore be inferred that planning for change influences the performance of an organization significantly.

The next objective looked at the consequence of communication of changes on organizational performance of NCBA bank Plc, Kenya. As per the outcome presented in Table 4.13, it is obvious that an improvement in change communication leads to a significant growth in organizational performance of NCBA bank ($r=0.698$, $p<0.05$) holding other factors constant. Past studies have also revealed a constructive relationship between change communication and organizational performance. Abdi and Rathmaya (2017) sought to examine the management of employees and advancement of internal communication all through the change process and found that communication is significant in change process. Micu and Necula (2018) assessed on the nexus between organizational communication and management of change among the European organizations and established that communication is very significant in the management of change and in influencing its success.

The power of employee participation on the success of NCBA Bank Plc was investigated in the third objective. As evidenced by the outcome presented in Table 4.13, a unit improvement in employee participation results in a significant improvement in organizational performance ($r = 0.269$, $p < 0.05$). These results are consistent with those of past studies. A study by Sverke, Hellgren, Goransson and Ohrming (2009) established that employee participation helped in the successful execution of organizational change in Swedish hospitals. Randall and Nielsen (2012) investigated the significance of ensuring the employees participation in process of change in an organization and found that employee participation helps in ensuring significant organizational success. Butali and Njoroge (2018) established that employee participation in the change management process has a significant effect on the success of the institution.

The result of knowledge sharing on NCBA Bank's organizational performance was established in the fourth objective. From the outcome, it was noted that an improvement in knowledge sharing results to a noteworthy improvement in organizational performance ($r=0.276$, $p<0.012$). Past studies have also shown an affirmative connection between knowledge sharing during change process and organizational performance. A research by Ghosh, Maram, Ameen, Almulla and Al-shibami (2018) found that knowledge sharing helps in the successful change management and helps in improving organizational performance. Eaves, Kumar, White and Loonam (2018) evaluated on how sharing of knowledge on information technology helps in ensuring success during a joint venture change among European organizations and found that

knowledge sharing helps in improving organizational performance. Elci, Elrehail, Abubakar and Alatailat (2019) examined the correlation between organizational performance and knowledge management and found that sharing of knowledge has a significant influence on organizational performance.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

This section is a presentation of the summary, recommendations and conclusion based on study's findings as well as the suggestions for subsequent investigations.

5.2. Summary of the Study

The primary objective was to examine the effect of change management practices on organizational performance at NCBA Bank Plc, Kenya. The research findings indicate that change management practices have a significant weight on organizational performance. Most of the participants concurred according to descriptive data, that NCBA Bank had adopted the four essential change management practices: knowledge sharing, employee participation, communication of changes, and change planning. Most items had standard deviations below 1.0, which showed consistency in replies, and averages over 3.5 on a 5-point Likert scale, which indicated concordance. This implies that staff members had a favorable and consistent opinion of the procedures. Organizational performance at NCBA Bank Plc in Kenya is greatly impacted by change management methods, according to the inferential study. With an adjusted R² of 0.831 and a good correlation ($R = 0.934$) found in the regression model, the procedures account for 83.1% of the variation in performance. The greatest impact was caused by change planning ($\beta = 1.119$, $p < 0.05$), which was followed by change communication ($\beta = 0.698$, $p < 0.05$), knowledge sharing ($\beta = 0.276$, $p < 0.05$), and employee participation ($\beta = 0.269$, $p < 0.05$). The regression model as a whole was deemed significant ($p < 0.001$). The model summary shows that 83.1 percent of the changes in organizational performance at NCBA bank are explained by variations in change management practices (planning for change, communication of changes, employee participation and knowledge sharing). The statistically significant p value of 0.000 demonstrates that change management practices have a substantial control over organizational performance.

The first goal meant to scrutinize the outcome of planning for change on organizational achievement of NCBA Bank Kenya Plc. From the outcome, it is apparent that an improvement in change planning yields a considerable growth in organizational success of NCBA ($r=1.119$, $p<0.05$).

The second objective meant to examine the outcome of communication of changes on NCBA bank's organizational performance. Based on the results, a unit improvement in change communication has a significant improvement in organizational performance of NCBA bank ($r=0.698$, $p<0.05$).

The power of participation of staff on NCBA Bank's organizational performance was examined in the third objective. Based on the outcome, a unit improvement in employee participation results in a major improvement in organizational performance ($r=0.269$, $p<0.05$).

The fourth objective intended to establish the outcome of knowledge sharing on organizational performance of NCBA Bank Plc, Kenya. As per the outcomes, it is evident that a unit advancement in knowledge is significantly associated with heightened organizational performance holding other factors constant ($r=0.276$, $p<0.012$). This indicates that the effect of knowledge sharing, as a change management practice on organizational performance was meaningful.

5.3. Conclusion of the Study

The general aim of the research was to study the change management practices effect on organizational performance. Based on the outcome the study concludes that change management practices have a major and positive impact on organizational performance of NCBA bank Plc, Kenya.

The consequence of planning for change on organizational performance of NCBA Bank was the first to be explored. From the research, planning for change was found to have a huge and positive influence on the organizational success of NCBA bank Plc, Kenya. The study also concludes that the bank's processes and procedures are considered during change planning. Further planning for change incorporates identification of areas to change, aligning changes with organizational objectives, ensuring personnel have the required skills to execute changes, staff trainings to equip them with skills and considering that the number of staff in the change execution is adequate.

Communication of changes' effect on organizational performance of NCBA bank Plc was examined in the second objective. The research concludes that dissemination of information on changes has an important and positive outcome on organizational success of NCBA bank

Plc. The study also concludes that communication during change process at NCBA bank entails communicating the vision to employees, communicating the values, benefits of change and performance outcome.

The study then examined the power of staff involvement on NCBA Bank's organizational performance. The research concludes that employee participation in the change process has a notable and positive influence on organizational performance as it encourages employees to be part and parcel of change process and win their trust. The study also concludes that employee participation at NCBA bank is exercised through task assignments at the departmental levels and rewarding employees who are in the frontline in the change management process.

Finally, the review attempted to ascertain the consequence of knowledge sharing on organizational performance of NCBA Bank Plc. The research concludes that knowledge sharing during change management has an important and positive influence on organizational performance at NCBA bank. It also concludes that knowledge sharing at NCBA bank involves sharing new work methods, operations, information on competition, departmental trainings and knowledge sharing on technologies.

5.4. Recommendations of the Study

According to the outcome, this research recommends that in planning for change, an organization needs to include a proper framework on how to support the employees through the transition and above all how to support customers during the transition process. This will include developing a good systems management plan that will ensure that the customers are able to access their services as they would normally until the transition process is over. Other aspects to focus on should be developing a good open door policy where employees can ask for help and receive clarification during the change management process.

With regard to communication of changes, the research acclaims that during the process of change management, the firm should develop a good communication strategy outlining how the customers and other stakeholders will receive the most critical information especially on matters that are likely to affect them during the change management process. This will allow

them to provide feedback and suggestions that will enable the company to implement its change management process.

Employee participation should also be enhanced during the change management process by first communicating to them on why the changes are necessary and persuading them to be part of the change process. This may include developing reward systems that helps in rewarding employees who are most innovative during the change process. Financial incentives should also be provided so that they can be effective in the implementation process.

Finally, on knowledge sharing both horizontal and vertical communication should be employed as opposed to all decisions and policies being made at the top. Through the knowledge sharing process both the customers and the employees should be made aware of the critical areas of the change management process. Where they have better ideas employees and customers should be able to contribute. Knowledge sharing should also incorporate making calls to high end clients as they are crucial in the organizational success. The research also recommends that in light of the negative correlation between knowledge sharing and employee participation there is need for the bank to have a mechanism of re-assuring the staff that the change management process will not result in job losses but will help them execute their duties even better.

5.5. Areas for Future Investigations

This review proposes that future reviews may focus on change management processes on other financial institutions like the insurance firms and mortgage firms. This will help in making comparisons and conclusions on change management practices in the financial sector in relation to organizational performance.

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APPENDICES

Appendix I: Letter of Introduction

Dear respondent,

I am Christine Matiku, a Kenyatta University MBA student majoring in Strategic Management. My area of research is on Change management and Organizational performance of Kenyan commercial banks.

I am humbly asking for your time in answering the questions in this questionnaire to help completion of this research. This study is for the purpose of academics and every feedback given will be treated with confidentiality. Your cooperation in this exercise is highly appreciated.

Sincerely,

Christine Matiku

Appendix II: Research Instrument

This questionnaire is intended for collecting details on the connection between the organizational performance and change management practices of commercial banks in Kenya. The questionnaire is subdivided into 5 sections. This questionnaire is meant for academic purposes.

INSTRUCTION: TICK APPROPRIATELY

SECTION A: Background.

1. Sex

- a. Female
- Male

2. Level of Management in the bank

- a. Top
- b. Middle
- c. Supervisors
- d. Operations

3. Education

- a. College
- b. Undergraduate
- c. Masters

4. Years of service

- a. Zero to Ten years
- b. Ten to Twenty years
- c. Above Twenty years

SECTION B: CHANGE MANAGEMENT

Section B seeks to investigate the connection between Change management and Organizational Performance of commercial banks in Kenya. (Key: Strongly agree=5, Agree=4 neutral=3, Disagree=2 and strongly Disagree=1)

PLANNING FOR CHANGE STRATEGIES

Kindly identify if you agree with the statements about NCBA bank based on provided scale

No	Statement for Planning for change strategies	1	2	3	4	5
1	The bank’s processes and procedures are considered when planning for changes in the organization					
2	There is a continuous process of identifying the areas to change to align with external changes					
3	The planning for change incorporates aligning the changes to the overall objectives of the organization					
4	The required skills and training needs are incorporated in any planned change in the bank					
5	The required number of staff is identified in the change plan to ensure the successful execution of the changes					
6	Every change plan incorporates staff trainings to equip them with skills for implementing the changes					
7	The plans for change influences organizational performance					

8. Is there any other aspect incorporated when planning for the implementation of the change management in the bank?

.....

COMMUNICATION OF CHANGES

Kindly identify if you are in agreement with the statements about NCBA bank based on the provided scale

No	Statement for communication of changes	1	2	3	4	5
1	Communication during the change process entails communicating the vision to the employees					
2	Communication during the change process entails communicating the values to the employees					
3	Since the merger, the concerns and fears of the staff have been addressed through communication					
4	Communication of the changes incorporates communicating the benefits of the changes to all stakeholders to ensure the changes are accepted across departments					
5	The performance outcomes are also communicated in the change processes to provide direction to the employees					
6	Communication has helped in improving organizational performance of the bank					

7. Do you think the current communication processes in the bank are adequate? If no suggest the areas to be improved

.....

EMPLOYEE PARTICIPATION IN CHANGE MANAGEMENT

Kindly identify if you are in agreement with the statements about NCBA bank according to the scale provided

No	Statement for employee participation in change	1	2	3	4	5
1	Employee participation is highly factored in all the change management put in place by the bank					
2	Employees in all departments are given task assignments in the execution of change management processes					
3	In a bid to effectively manage the change management process the bank aligns the job description of all staff to the change objectives					
4	There is an extensive engagement of employees in all departments in the change management processes					
5	The involvement of the staff in change management processes is done on daily basis					
6	The change management processes ensures the rewards and recognition to the employees in the frontline in the implementation of change					

7. Do you think employee participation in change management process has enhanced the performance of the bank?

.....

KNOWLEDGE SHARING IN CHANGE MANAGEMENT

Kindly identify if you agree with the statements about NCBA bank based on the provided scale

No	Statement for Knowledge sharing	1	2	3	4	5
1	Do you agree that knowledge sharing is instrumental in the implementation of the change management in the bank?					
2	The knowledge sharing in the change management process in the bank encompasses sharing of new work methods					
3	Do you agree that there is knowledge sharing on the operations and processes during change management process in the bank?					
4	Knowledge sharing in the bank incorporates sharing information on competitive conditions					
5	Knowledge sharing on new technologies is done through departmental trainings					
6	The development programmes are adequately shared during the change implementation					

7. Do you think knowledge sharing as an aspect of change management has an influence on performance of the bank?

.....

SECTION C: ORGANISATIONAL PERFORMANCE

Please point out whether you agree with the statements on Performance due to the appliance of the change management in the bank.

Statement.	1	2	3	4	5
With the adoption of the change management by the bank sales revenues have increased leading to increased profitability.					
The implementation of the change management has helped in expanding the assets levels and ultimately returns on assets					
Due to the implementation of the change management, there has been an expansion in the customer base					
With the implementation of change management, customer retention has been enhanced					

THANK YOU FOR YOUR RESPONSES

Appendix III: List of NCBA Bank Branches in Nairobi

NO	NCBA BRANCH
1	NCBA Bank Head Office
2	NCBA Bank Kenyatta Avenue
3	NCBA Bank Kilimani
4	NCBA Bank Lavington Mall
5	NCBA Bank Parklands
6	NCBA Bank Yaya Centre
7	NCBA Bank Masaba Road
8	NCBA Bank City Centre
9	NCBA Bank Wabera
10	NCBA Bank Industrial Area
11	NCBA Bank Embakasi
12	NCBA Bank Buruburu
13	NCBA Bank LungaLunga
14	NCBA Bank Westlands
15	NCBA Bank Prestige
16	NCBA Bank Mama Ngina Street
17.	NCBA Bank Village market
18.	NCBA Bank Prestige
19.	NCBA Bank Junction
20.	NCBA Bank Swissport
21.	NCBA Bank Garden City
22.	NCBA Bank Sameer
23.	NCBA Bank ABC
24.	NCBA Bank Ciata Mall
25.	NCBA Bank Greenspan Mall
26.	NCBA Bank Harambee
27.	NCBA Bank Industrial Area
28.	NCBA Bank Kirinyaga Road

29.	NCBA Bank LungaLunga
30.	NCBA Bank Parkside Towers
31.	NCBA Bank Riverside
32.	NCBA Bank Thika Road Mall
33.	NCBA Bank Rosslyn Riviera
34.	NCBA Bank Sarit Centre
35.	NCBA Bank Two Rivers mall

Source: NCBA Bank Plc (2023)

Appendix IV: Research Budget

ITEM	AMOUNT IN KSH
Stationery	3,000
Report writing, Printing and Photocopying	6,000
Binding Expenses	5,000
Telephone/Library search/Internet Browsing	5,000
Researcher Transport Expenses	3,000
Miscellaneous	3,000
Analysis-Software	15,000
Total	40,000